

HOME NEWS

Parity bonus stirs labour troubles

Teachers may strike on budget, pay

TEL AVIV. - The Histadrut Teachers' Union last night declared a labour dispute and threatened to strike after the 15-day cooling-off period unless cuts in the education budget are cancelled, the school autonomy plan is scrapped, and teachers get the IS10,344 parity bonus given to workers in government ministries.

Also yesterday, private sector workers demanded that they be paid the bonus.

The parity bonus, which was decided on by a joint Treasury-Histadrut committee last Thursday, was intended as a means of dampening labour unrest in the public sector. But it appears to have had the opposite effect. Workers in both the public and private sectors are now demanding that the bonus be awarded to them without exception.

The recipients of the bonus will be decided during work agreement negotiations between the Histadrut and the Treasury. The negotiations began early last week and will continue this Thursday, with budget director Hillel Dudai representing the Treasury and trade union department chairman Haim Habelfeld representing the Histadrut.

The Histadrut central committee yesterday approved Secretary-General Yitzhak Kassar's nomination of Habelfeld as chairman of the trade union department. Habelfeld has been filling the post as acting chairman since Kassar left the post to head the Histadrut two weeks ago.

Outgoing teachers' union secretary Amnon Abramson said the pay rises received by the teachers union under the Etzioni Committee agreement had no bearing on the union's latest demand.

Secretary-designate Yitzhak Wellber said the proposed cut of 50,000 teaching hours would mean that first-graders would come to school at 9 a.m. instead of 8 a.m. at least one morning a week, and will

Compiled from reports by Lea Levavi, Roy Isaacowitz and Aaron Sittner.

study only 23 hours per week, compared with 24 hours now, and seventh-graders would study 27 hours a week, compared with 30 hours now and 34 hours a few years ago.

Cuts in high-school instruction will be 2 per cent, he said, including two hours of workshop training in vocational schools.

The school autonomy plan would require each school to decide for itself how to implement these cuts, and may really be a cover for additional budget cuts, he added.

The Secondary School Teachers' Association has declared a labour dispute over the IS10,344 increment, and the union's board is to meet today to decide on sanctions - probably for later this week - against school autonomy.

As for cuts in teaching hours, the union's spokeswoman said these were drastically reduced in negotiations between the union and the Education Ministry, but there are still some unresolved issues which the union wants settled.

In private sector labour disputes, Yitzhak Giladi, secretary of the Metalworkers', Electricians' and Electronic Workers' Union, said yesterday that he had sent a letter to the Manufacturers' Association demanding that private sector workers be paid the bonus as well.

"The bonus cannot begin and end in the public sector," Giladi told *The Jerusalem Post* last night. "It is mainly private sector workers who bring the dollars into the country, and they cannot be excluded."

The country's food workers have also demanded that they be included in the bonus agreement. Food Workers' Union secretary Moshe Saban-Cohen said yesterday that in

return for the bonus the workers would increase productivity and ensure work stability.

Labour and Social Affairs Ministry workers ceased their work sanctions yesterday after being informed that they are eligible to receive the bonus. The sanctions in the Interior Ministry will continue, however, on the grounds that the bonus will not be paid to pensioners. Histadrut sources insisted yesterday that pensioners are included in the agreement.

There will be no normal service to the public today at the ministry's 13 regional offices, where documents such as passports, visas and ID cards are applied for and issued.

But work on the Voters Register, in preparation for the July 23 elections, is proceeding normally, following the issuance of 120 emergency back-to-work orders last Wednesday by Interior Minister Yosef Burg.

A spokesman for the ministry's 700 employees told *The Post* last night: "The staff committee met with Civil Service Commissioner Avraham Natan today but, unfortunately, nothing came of the meeting. We still have not been given a pledge that the wage adjustment will accrue to ministry pensioners as well as to us."

"What is more," said Yehzekel Lavie, "we still see no readiness on the part of the Civil Service Commission to eliminate the disparity in wages between one ministry and another. As things stand, people doing a certain job in the Interior Ministry earn substantially less than people doing the same type of work in another government office."

In Ashdod port, 180 office workers went out on a two-day strike yesterday to press their demands for revised shift payments. There are only five ships in port at the moment and the strike is not expected to seriously hamper the unloading of cargo.

Sanctions by workers at the Ministry of Education and Culture ended yesterday after Finance Minister Yigal Cohen-Orad acceded to Education and Culture Minister Zevulun Hammer's request that workers in Hammer's ministry get the salary bonus of IS10,344.

The Clerks' Union said yesterday that it was demanding that local authority workers also be given the pay bonus. Otherwise the union threatened sanctions.

Egged wants status quo in Rishon

By YITZHAK OKED
Jerusalem Post Reporter

RISHON LEZION. - Protest demonstrations against the Egged bus cooperative are expected to start this week here because of the pressure Egged is putting on the Transport Ministry not to allow a new bus line into Rishon operated by the Dan bus cooperative.

For the past 60 years only Egged has serviced the town.

Mayor Meir Nitzan told a press conference yesterday that he favoured allowing Dan into Rishon since he was confident that the bus service would improve because of the competition.

Nitzan said the present Egged service to and from Rishon is awful. He said he will no longer squelch spontaneous protests by angry passengers at the bus station, "but will participate in the front line of such protests in future."

Nitzan said that according to agreements with Transport Minister Haim Corfu and his former director-general Uzi Landau, the Dan line from and to Tel Aviv via Bat Yam was due to start May 20.

One of Egged's reasons for demanding a monopoly is its contention that if Dan is allowed into Rishon, about 40 per cent of its drivers who live in Rishon will be out of work.

The new director-general of the ministry, Baruch Levy, told *The Jerusalem Post* that a decision on the issue would be made in a short time.

Dan spokesman Gavriel Shemesh said Dan had to expand its lines because its base - Tel Aviv - was decreasing in population and many of its passengers, especially the younger generation, were moving to communities like Rishon and Herzliya.

20,000 sign petition for adult education

More than 20,000 persons have sent a petition to the Education Ministry and the Treasury protesting against recent budget cuts that they say will drastically reduce adult education classes.

The group called on the ministries to rescind the cuts, adding that more than 50,000 adults in Israel lack sufficient basic education.

TAU president to raise \$3m. on fund-raising tour

By LEA LEVAVI
Jerusalem Post Reporter

TEL AVIV. - Professor Moshe Many, president of Tel Aviv University, yesterday told his board of governors that he is about to embark on a worldwide fund-raising tour in the hope of raising at least \$3 million.

The institution has a deficit of over \$10 million, he said, caused by delays in receiving government funds and debt service on loans which the university has taken as a result.

Professor Yoram Dinstein, university rector, said that when he assumed office in 1980 he thought the seven lean years since the Yom Kippur War were over.

"Now I know that those lean years were good years compared to the years since I have taken office," he said. He said the budgets of the Education Ministry and the Health Ministry have gone up by 50 per cent over the past 10 years, while the higher education budget has gone down by 10 per cent during the same period.

"It will be a boomerang," he said, "because if we want industry and exports we need high technology and that requires the intellectual skills which the universities develop." The ratio of professors to students is no better than the teacher/pupil ratio in high schools, he said, which threatens professors' ability to devote time to research and could also lower the level of instruction.

"The government is doing everything possible to make our situation worse each year," the rector complained.

Other board activities yesterday included inauguration of a \$1 million scholarship fund to help doctoral students, donated by Yosef Buchman, and awarding of honorary doctorates and fellowships. Among the recipients of honorary doctorates were Nobel Prize laureate (in physiological medicine) Professor Julius Axelrod and Dr. Irene Halmos, an American psychologist who has been a long-time supporter of the university.

Remands extended in Carmon slaying

HAIFA (Itim). - Two of the suspects in the June 1982 murder of Danna Carmon, 22, of Haifa, yesterday were ordered held for another 15 days by the Haifa Magistrates Court.

After Attorney-General Yitzhak Zamir permitted an extension of the 30 days they have already been detained.

The suspects, Ataf Sabihi, 26, from the Galilee Arab village of Ushiya and Ahmed Kuzli, 29, of the Beduin village Wadi al-Ain near Tirat Carmel, have already been indicted by the Haifa District Court with two others for the December 1983 murder of Haifa schoolboy

Danna Katz, 11.

Police investigators have noted many similarities in the two crimes. For example, Katz, too, was sodomized after he had already been strangled to death.

The police had to obtain special authorization from the attorney-general to request extension of the suspects' remand, but this is rather a formality since detention until trial is virtually automatic in murder cases.

In issuing the extension yesterday, the court ordered Sabihi and Kuzli to spend their latest remand undergoing psychiatric examination.

Beduin not allowed to settle in firing zone

NAZARETH. - The government has rejected a request by more than 1,000 Beduin to settle on a military firing zone in the Galilee.

Moti Mashiah of the office of the prime minister's adviser on Arab affairs explained that not far from the Beduin encampment there is a modern village named Wadi Zalmon and the government is ready to help them move there.

So far the government has built 14 modern villages in which 85 per cent of the 30,000 Beduin in the North

have settled permanently. The Beduin, on the other hand, said they and their ancestors have been living on this land and some of them even have titles to the land.

FINED. - A taxi-driver found guilty of overcharging a passenger by IS40 was fined IS4,000 yesterday in Tel Aviv Magistrate's Court. The judge explained that the fine was low because the man had driven a taxi for 25 years with no previous convictions.

Mekorot and Golan settlers in 'water war'

Jerusalem Post Reporter
KATZIRIN. - Mekorot, the national water company, announced yesterday that beginning today normal water supply would be disrupted to all Golan Heights settlements in protest against establishment of a local, independent water company by the settlers.

The settlers had set up independent reservoirs to exploit rainwater over the years without interference from Mekorot. However, the financially strapped Mekorot has recently been pressuring the settlers to cease building new reservoirs and installing the necessary pipeline infrastructure.

But the settlers are reluctant to stop extending their network, since it provides them with water for irrigation more cheaply than Mekorot.

Meir Golan of Golan Water, the settlers water collective, met with Mekorot on Friday and agreed to maintain the status quo and to stop building reservoirs until further discussion. However, when Mekorot officials found out that construction continued at a reservoir site on Friday that had been nearly completed before the construction-ban, it declared the disruption of service.

Mekorot's 4,000 workers are also considering a strike over the dispute, it was reported last night.

Shazar Prize for Rumanian chief rabbi

Moshe Rozen, chief rabbi of Rumania, is to receive the Shazar Prize from President Chaim Herzog at Beit Hanassi tomorrow.

The prize, initiated by the World Zionist Organization's Department for Education and Culture in the Diaspora, will also be awarded to educational institutions in Mexico, France and Argentina.

Fertilizer protest

Jerusalem Post Reporter
HAIFA. - The works committee at the Chemicals and Fertilizers factory in Haifa yesterday called on Industry Minister Gideon Parit to stop the import of nitrogenous fertilizer from Rumania, which they maintain poses a threat to the future of their factory. The works committee said a large consignment of such fertilizer arrived at the Haifa port yesterday.

Hours of out-patient clinics extended

By ROY ISACOWITZ
Jerusalem Post Reporter

TEL AVIV. - Out-patient clinics at Kupat Holim Clalit hospitals will operate afternoon shifts beginning July 1, the Histadrut central committee decided yesterday.

The extension of hours was one of a series of steps decided on by the committee to combat the practice of private medicine in Histadrut-owned Kupat Holim hospitals.

Histadrut Secretary-General Yisrael Kassar told the committee that the intention is to cut down on the

time patients have to wait in queues, to ensure the maximum utilization of medical equipment and to strengthen public medicine.

Histadrut sources explained that keeping the clinics open in the afternoons is expected to cut down on off-hours private medicine practised by Kupat Holim doctors using health fund equipment.

The committee also suggested that Kupat Holim general clinics throughout the country remain open in the afternoons to provide medical service outside regular work hours.

Polish official hopes for renewed ties

LOHAMEI HAGETAOT (Itim). - As long as there is no change in the "political situation," there is no possibility of reciprocal visits by teachers and students from Poland, Mieczyslaw Witziek, visiting chairman of the Warsaw Teachers' Union and the International Korczak Association, told reporters here yesterday.

Although confident that this would change once the region's political situation alters and Israel and Poland re-establish diplomatic relations, Witziek said regretfully that this would probably have little effect

on tourism from Poland. "A round-trip ticket costs about \$1,000, and this is equal to about seven months' salary for a teacher in Poland."

The head of the 35,000-member teachers union said in answer to a question about education against anti-Semitism that, "there is no anti-Semitism in Poland, and thus teachers do not work on the topic." Witziek emphasized, however, that the Polish government is trying to "preserve the remnants of the Holocaust" who make up its tiny Jewish community.

Electric Corp. says it can't reduce pollution

HAIFA. - The Electric Corporation announced yesterday that it will not be able to comply with the interior minister's order to reduce air pollution from its Haifa Bay power station. The order is supposed to take effect next month.

The corporation's managing director Yitzhak Hofi has asked Minister Burg to rescind the order. Part of the order will require the

corporation to burn fuel with a lower sulphur content than that used at present. But the Oil Refineries, which supplies the power station, has indicated that it cannot produce this fuel.

Hofi said that unless the Energy Ministry allows the corporation to acquire fuel from abroad, the only way to avoid breaking the law would be to close the power station.

Kupat Holim improves gonorrhea diagnosis

Jerusalem Post Reporter
HAIFA. - A quick method of diagnosing strains of gonorrhea resistant to penicillin has been developed by researchers at the Histadrut Kupat Holim's microbiological unit in Haifa, the sick fund's spokeswoman reported yesterday. The diagnosis takes half an hour,

compared to between 1 and 3 days using conventional methods.

The diagnosis applies mainly to men, who constitute more than 80 per cent of patients suffering from gonorrhea. About half the cases of gonorrhea are caused by germs resistant to regular penicillin, and other drugs have been used, she said.

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Representatives of hundreds of thousands of traders, employers of approximately a third of the Israeli work force, have joined the renewed struggle against the discrimination suffered by the self-employed, and commercial and service branches of the economy. Groups joining in the struggle include the associations affiliated to the Coordinating Bureau of the Organizations of the Self-Employed (Lahav):

- Economic Advisers Association
- Pharmacists Federation
- Accountants/Tax Advisor Association
- Taxi Drivers Organization
- Kindergarten Owners Association
- Opticians and Optometrists Association
- Music Performers and Teachers Association
- Israel Artists Association
- Industrial Psychology Institutes Association
- Israel Insurance Agents Bureau
- Customs Clearing Agents Association
- Association of Garage Owners
- Association of Self-Employed Engineers and Architects
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- Self-Employed Auditors Association
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In the name of all these and other bodies, we declare that we will not support any political party which disregards the continuing injustice of the discrimination practised against the self-employed and the commercial and service branches.

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Despite All This the traders and the self-employed in commerce, services and the professions are compelled to shoulder a burden, not laid on other more favoured sectors. The self-employed pay higher taxes; are required to pay employers' taxes; do not enjoy tax reductions granted industrial workers, such as those on premiums and overtime, and tax exemption for demobilized soldiers. A self-employed person may not have the equivalent of a dismissal - compensation fund, has less favourable pension conditions, may not have a study fund or an unemployment pay fund, and must bear the burden of inflationary taxation.

Those who would take from us to give to others should realize that, unless the discrimination against commerce, services and the self-employed stops, the day may come when there will be no one from whom to take.

This situation cannot continue. We no longer agree to be second class citizens. Let the truth be acknowledged. So far, no one in a position to do anything about this discrimination has agreed to listen to us. We have no choice but to make a stand. Now, on the eve of the elections, everyone wants our votes. In exchange, we demand an end to this discrimination. Apparently our thousands of election ballots will speak louder than our protestations to date. The Prime Minister has not yet given us a reply. Nor has the head of the Opposition expressed his rejection of this discrimination.

And you, the direct victim of this situation, what are you planning to do to change things? Start fighting the discrimination against the commercial and service sectors. Do not give your vote to a party that does not undertake to eliminate discrimination against the commercial and service sectors.



The Federation of the Israeli Chambers of Commerce - Action Headquarters

The Action Headquarters staff are enlarging and updating the list of those working in commerce and services, workshop owners, businessmen and professionals.

To:

Action Headquarters
The Federation of the Israeli Chambers of Commerce
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WORLD NEWS

High-level talks in Moscow seen as final attempt

Olympic heads will try to reverse boycott

LAUSANNE, Switzerland. — Olympic leaders meet here today to draw up plans for a final attempt to avert the Soviet-led boycott of the Los Angeles games.

The president of the International Olympic Committee (IOC), Juan Antonio Samaranch, is to fly to Moscow on Wednesday for talks with USSR government officials aimed at persuading the Soviets to change their minds about withdrawing from the games which begin in July.

Sources close to the Olympic movement said Samaranch learned at a meeting of sports officials from Communist countries in Prague on Thursday that his request for high-level talks had been accepted by Moscow.

The sources said Samaranch was expected to discuss the crisis with Foreign Minister Andrei

Gromyko rather than Soviet leader Konstantin Chernenko because it was felt Gromyko had been more instrumental in the boycott decision.

Eleven Communist countries have joined the Soviet Union in pulling out of the games, citing concern for the safety of their athletes in Los Angeles.

Since announcing its withdrawal on May 8, Moscow has insisted its decision is irrevocable.

The sources, who attended Thursday's Prague meeting, also said sports officials from 11 countries had criticized the decision to stage the 1988 summer games in South Korea, a country with strong U.S. connections.

There was speculation in Lausanne that Samaranch would use his Moscow visit to discuss the

Soviet Union's attitude to the Seoul games as well as the Los Angeles boycott.

Samaranch will be accompanied to Moscow by Primo Nebiolo, president of the Association of Summer Sports Federations, and Mario Vazquez Rana, president of the Association of National Olympic Committees.

In Moscow, the Kremlin's chief spokesman on Saturday said the West was wrong to see Soviet withdrawal from the Los Angeles Olympics as revenge for the U.S.-led boycott of the 1980 Moscow games or a calculated political move. In the first public comment here from a senior political official about the Olympics boycott, Leonid Zamyatin said the decision not to go to Los Angeles was determined solely by concern for athletes' safety. (Reuter, AP)

EC ministers stress need for more contact with USSR

SALON-DE-PROVENCE, France (AP). — Foreign ministers from the 10 Common Market countries wound up a weekend of informal talks yesterday, during which they agreed on the necessity for "increasing contacts with the Soviet Union."

French Foreign Minister Claude Cheysson, speaking to reporters at the end of the meeting, said the participants feel that the tensions between Washington and Moscow make it even more important for European countries to stay in contact with the Eastern Bloc.

He said the Common Market must let the Soviets know "the elements of their policies that we cannot accept," citing "the occupation of Afghanistan," the "regression of liberties in Poland," and "nuclear

overarmament." He said that human-rights questions are one of the "most painful" subjects, particularly the situation of Soviet Nobel Prize-winner Andrei Sakharov and his wife, Yelena Bonner.

The meeting began Friday and ended yesterday morning at a former abbey turned into a hotel in this town near Marseille.

The war between Iran and Iraq, which Cheysson characterized as "abominable," was a major point of discussion. He said the foreign ministers expressed their worry about the "state of the petroleum market," and that it was necessary to call for prudence on all sides, to avoid an internationalization of the conflict and to increase appeals for reason.

Police kill two officers mistaken for Sikh terrorists

AMRITSAR (AP). — Three people were shot to death, a priest was killed and 10 people were injured in a grenade attack yesterday on a cinema in the Punjab, raising the three-month death toll to more than 300.

Police accidentally shot and killed two officers of the Punjab armed police on Saturday night when they were mistaken for Sikh terrorists, police reported.

Two Sikh terrorists, meanwhile, fatally shot one man and stabbed a priest. The victims were not immediately identified.

Police said at least 10 people, including a woman and eight-year-old boy, were injured when a grenade exploded outside a cinema in Patiala. The attacker, a suspected Sikh terrorist, escaped.

In the Bombay area, three people were killed yesterday when police opened fire to break up a clash between Hindus and Moslems in the central part of the city.

Police said that 225 people have been killed, more than 780 injured and more than 5,100 arrested in 11 days of communal riots.

UK deports four suspected terrorists

LONDON (AP). — Britain has deported an Iranian and three Arabs arrested under the Prevention of Terrorism Act and suspected of being members of a hit squad, the Home Office said yesterday.

The four were known supporters of the Iranian leader Ayatollah Ruhollah Khomeini and were believed to have been ordered to kill anti-Khomeini dissidents in London, the Sunday Times reported.

Ali Ghorbani Far, 30, an Iranian,

and Abdel Majid Chraïbi, 40, a Moroccan with French refugee status, were deported to France on May 17. The Home Office said, Abdel Fiaid Djaffar, 23, and Hafid Regradj, 27, both Algerians, were deported to Algeria on May 18.

The men were deported after the home secretary was satisfied that they were involved in preparing acts of terrorism and that their presence here was not conducive to the public good," a Home Office spokesman said.

Afghans cleaning up Panjsher Valley

ISLAMABAD (Reuter). — Afghanistan's state-run radio has reported that reconstruction has started in the Panjsher Valley, a traditional guerrilla stronghold which Kabul says it gained control of last month.

Radio Kabul, monitored here Saturday night, painted a peaceful picture of the valley, one neither Afghan exiles nor western diplomats in Pakistan could confirm.

The broadcast said a large group

of citizens from the capital, many apparently members of the Communist Party's youth group, spent last week in the valley repairing mosques, schools, roads and government buildings.

Soviet forces appear to control the floor of the 100-kilometre-long valley, the diplomats said, but it was not clear whether fighting is still going on in the nearby mountains.

India's dysentery death toll rises to 2,700

NEW DELHI (Reuter). — A dysentery epidemic which has claimed more than 2,700 lives in northern India spread last week to three new states, the Press Trust of India (PTI) news agency reported yesterday.

It said the disease had struck in Rajasthan in the west where 70 people had died, Himachal Pradesh in the north where 30 had died, and Arunachal Pradesh in the Northeast where no fatalities had been reported so far.

PTI quoted health officials as saying the epidemic began in Bangladesh, where more than 1,000 people had died. In neighbouring West Bengal the death toll has reached 1,987.

300 said dead in Bangladesh floods

DACCA, Bangladesh (AP). — Floods have killed 300 people in Bangladesh's northeastern district of Moulvi Bazar, another 100 were missing and the district town of Sylhet has become "a city of the dead," the newspaper New Nation reported yesterday.

The report came after the Bengali paper Banglar Bani reported Saturday that 250 people had died in floods in the adjoining district of Sylhet.

In Moulvi Bazar town, about 260 kilometres northeast of Dacca, Syed Mohsen Ali, chairman of the municipality, said he himself had seen 100 bodies washed away in flood waters.

French journalist jailed in cannibalism-photo case

PARIS (Reuter). — A second French journalist has been charged in connection with the publication of grisly photographs of a murder and cannibalism victim, judicial sources said yesterday.

Jean Tagniere, 28, of the weekly Paris-Match was jailed Saturday pending trial on charges of receiving stolen goods and concealing a breach of police secrecy rules.

Investigators said he had received from a policeman forensic photographs of the mutilated and partly eaten body of a Dutch woman student, Renee Hartevelt was murdered in Paris in 1981 by a Japanese man, who confessed to cannibalism.

The pictures were published last December in the magazine Photo,

edited by the same publishing group as Paris-Match. Hartevelt's family demanded an injunction to block distribution of Photo, and won \$60,000 damages from the magazine.

In January, Paris-Match deputy director editor Jean Durieux was charged with theft and receiving stolen goods in the case. He was briefly imprisoned but has not yet come to trial. No date has yet been set for Tagniere's trial.

The Durieux case sparked a debate on press freedom, and commentators said yesterday Tagniere's jailing raised anew the question of the journalists' right to protect their sources.

Pope says he prays for Sakharovs

VITERBO, Italy (AP). — Pope John Paul II said yesterday he is praying "with all my heart" for dissident Soviet scientist Andrei Sakharov and his wife because of worldwide concern expressed over their health and freedom.

Making a day-long visit to this central Italian city, the pontiff spoke out publicly for the first time on the Sakharov case, since receiving Sakharov's stepdaughter Tatiana Yankelevich and her husband at the

Vatican on Wednesday. Sakharov, the 63-year-old Nobel Peace Prize winner, reportedly began a hunger strike on May 2 to win permission for his wife to leave the Soviet Union for treatment of heart and eye ailments.

The nuclear physicist was reportedly taken from his home in Gorky on May 7, and since then Soviet news media have been silent on his whereabouts. Sakharov was banished to Gorky in 1980.

Soviets rap U.S. proposal on chemicals

MOSCOW (AP). — The Soviet Union said yesterday that much progress has been made toward outlawing chemical weapons, but that the latest U.S. proposal is a ploy to allow its build-up of chemical-warfare stocks.

The statement was made in an editorial in Pravda, the newspaper of the Communist Party.

The Soviets have rejected the latest U.S. proposal, formally intro-

duced at the Geneva disarmament conference by Vice-President George Bush on April 18. They claimed provisions for "open invitation" on-site inspections of military and government-run chemical-weapons facilities would give an "advantage" to the U.S., which uses private manufacturers.

The deputy Soviet ambassador to the UN, however, said on Thursday that the initial Soviet response should not be taken as final.

Thousands in Coventry to denounce U.S. missiles

COVENTRY (Reuter). — Thousands of anti-nuclear protesters converged on this central England town on Saturday in the first major rally staged by Britain's Campaign for Nuclear Disarmament this year.

Police estimated that 10,000 demonstrators, including contingents from the Soviet Union and East Germany, took part, bringing parts of the city to a standstill.

They were called on by CND chairman Joan Ruddock to continue protests against deployment of U.S. cruise missiles, the first of

which arrived in Britain last November.

According to an opinion poll published yesterday, less than a third of Britons now want the weapons.

The CND is planning numerous demonstrations to coincide with President Reagan's visit to Britain next month.

Greek plane violated airspace, Turkey charges

ANKARA (Reuter). — Turkey said yesterday that an unspecified Greek plane had violated its airspace near the Aegean port of Kusadasi, calling the incident deliberate and dangerous.

A Foreign Ministry statement said the plane entered Turkish airspace on Saturday and declared the action could not have been an error.

Greece frequently complains of Turkish violations of its airspace in the Aegean but such protests by Ankara are rare.

The two Nato allies are at odds over rights in the Aegean, Cyprus and on other issues. Last March, a 24-hour crisis erupted between them when Greece accused Turkish ships of firing on Greek vessels in the Aegean, a charge denied by Ankara.

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Sports

Intriguing clash

By JACK LEON
TEL AVIV. — When Shlomo Glickstein faces the highly-rated Californian Brad Gilbert in the first round of the \$875,000 French Tennis Open which starts today both will remember that in 1981, the Israeli champion beat Gilbert 6-2, 6-3 in the singles final of the 11th Maccabiah Games.

Glickstein was then ranked 49th in the world, while the American was down at 700th on the ATP computer. Since then, Gilbert, 23, has gone from strength to strength and has climbed to 44th spot a dozen places above the sadly out of form Israeli.

But in last May's French Open, Glickstein, 26, reached the third round in singles and the quarter-finals in doubles with Eric Froman of the U.S. in one of his best-ever outings in a major event.

Israel's No. 2 player Shaike Perls won his way through another qualifying match beating Belgium's Jan van Langendonck. He needed only to beat Australia's talented Simon Yool to make it through to the main draw along with 15 other qualifiers.

To prove he is in smashing form, John McEnroe, the No. 1 seed in Paris, notched up his 36th consecutive singles win yesterday, demolishing Ivan Lendl 6-3 6-2 to give the U.S. a 1-0 lead over Czechoslovakia in the world team cup final in Düsseldorf.

McEnroe produced a virtually flawless performance which left the world's No. 2 floundering in the 75-minute match. The American showed that clay is his surface as he won as many rallies as he lost.

Thomas Smid then squared the match at 1-1 with a 4-6, 7-6 (10-8), 6-4 victory over Jimmy Arias.

The Americans, however, made sure of the title when they won the doubles, McEnroe and Peter Fleming defeating Lendl and Smid 6-1, 6-2.

African athletes

Post Sports Staff
Three distance runners from Zaire are flying in especially to take part in Wednesday's mini-marathon in Jerusalem. This will be the first time that athletes from the central African state will compete in Israel.

The 21 km. run is being sponsored by Hapoel in celebration of Jerusalem Day. Apart from the African visitors there will also be two contingents of runners from Italy and France in the festive meet.

Tigers tamed

NEW YORK (AP). — Dave Henderson's two-run single highlighted a four-run first inning and Bob Kearny hit a two-run homer in the seventh as the Seattle Mariners trounced Detroit 9-5 on Saturday night and handed the high-flying Tigers a second consecutive setback for only the second time during this year's major league baseball season.

Star Milwaukee shortstop Robin Yount's shagging error in the bottom of the ninth inning allowed Tim Lincecum to score from second base and give the Minnesota Twins a 7-6 victory over the Milwaukee Brewers to tie the Twins to within a half-game of the West-leading California Angels, Seattle are third, 1½ off the pace.

AMERICAN LEAGUE. — Saturday's games: Toronto 2, Cleveland 1; Minnesota 7, Milwaukee 6; Kansas City 11, Boston 7; Baltimore 9, California 5; New York 8, Oakland 4; Chicago 5, Texas 1; Seattle 9, Detroit 5. NATIONAL LEAGUE. — Atlanta 7, St. Louis 3; New York 2, Los Angeles 1; Cincinnati 7, Chicago 6; Philadelphia 7, San Diego 2; Montreal 4, San Francisco 2; Houston 2, Pittsburgh 6.

Chicago lead Philadelphia by 1 and the Mets by 2½ in the East while the San Diego and the Dodgers in a three-way tie at the top of the West.

SOCCER: Finland beat Northern Ireland 1-0 in their World Cup European group three qualifying match in Finland. The only goal was scored by Ari Vastee early in the 2nd half.

CODEX MAIMONI: THE MISHNEH TORAH OF THE RAMBAM



The selections from the Code of Maimonides produced in this book are from the beautiful Kaufmann Codex and convey a clear idea of the style, scope and structure of the Mishneh Torah, enabling the reader to combine meticulous study with artistic pleasure.

This exquisite volume contains the magisterial Code that was written by Maimonides in Egypt in 1180, copied by a French scribe in 1295, further embellished by a German scribe in Cologne with citations from select post-Maimonidean authorities. The manuscript arrived in Hungary where it became known as the Kaufmann Codex, and today, with this edition, has been made available to English-language readers.

CODEX MAIMONI presents 68 of the most beautiful pages from the illuminated codex of the Kaufmann Mishneh Torah. Introductory essay by Professor Alexander Scheiber provides a summary of the main information available on the life of Maimonides, the Mishneh Torah and this codex. Art historian Gabrielle Sed-Rajna describes the codex in context of art history and provides detailed explanations of the illustrations.

Published by Corvina/Hellikon/Strassburger. Leaf size 473 mm x 324 mm (approx. 18½" x 12¾"), 176 pages. Price, \$138 (including VAT). Available from The Jerusalem Post, P.O. Box 81, Jerusalem 91000. Tel. 02-528181 ext. 288, 291.

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Dire Strait

Iran and Iraq Turn Up The Heat In the Gulf

By LESLIE H. GELB

WASHINGTON

THE three-and-a-half-year Iran-Iraq war seemed in grave danger last week of exploding into a wider conflict involving neighboring Persian Gulf countries and major external powers. Iraq was, in effect, provoking international intervention by attacking shipping in order to force Tehran to choose between a widened war and negotiations. Iraq claimed last week to have destroyed 10 ships in the Gulf.

Iran has been responding cautiously at times like the level of Iraqi attacks, wary of reprisals by the big powers, but it has continued to take the dare of a wider war by firing on a limited number of oil tankers of Saudi Arabia and Kuwait, two of Iraq's main financial backers. This effectively placed the weight of decision on Riyadh and its friends in the Gulf as well as the United States and Western Europe. Their choice was to do nothing and risk allowing shipping in the Gulf to be shut down, or to take military action to thwart Iran and protect the shipping.

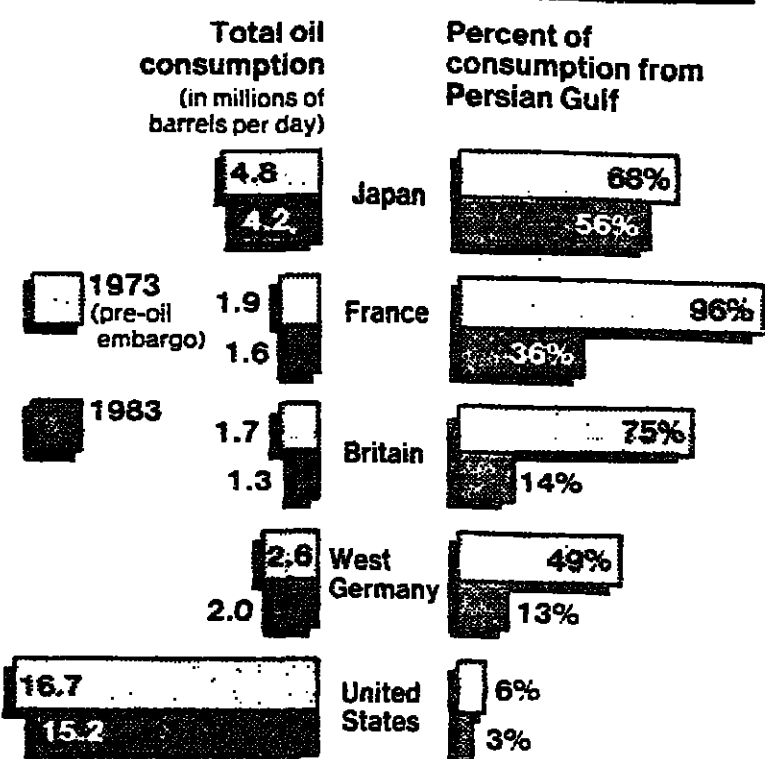
So much, but little more, was clear. From that point on, there were wheels within wheels. Most of the countries on the edge of the conflict have interests that cut in contradictory ways. The Saudis want to handle things themselves, but can they? The Reagan Administration wants to throw a scare into the Iranians without frightening the American people, but can it have it both ways? The Europeans and Japanese want oil, but they do not want to compromise their relations with Iran by getting out in front. The Syrians are backing Iran, but receive subsidies from the Saudis. Yesterday, Saudi Vice President Abdel Halim Khaddam reported to King Fahd in Jidda on his visit to Tehran to try to calm the Iranians.

American interests in the Gulf are less sharply defined than formerly. The United States and its principal allies are much less dependent on Gulf oil than they used to be. Washington's concerns center on maintaining political stability in the Arabian peninsula and preventing the spread of Iran's version of Islamic fundamentalism. Nonetheless, President Reagan has reiterated American vital interests in the area, promising to do whatever is necessary to keep the sea lanes open and the oil flowing. But at his news conference last week, Mr. Reagan seemed to back away somewhat. The chances of American military involvement are "very slight," he said. "I can't foresee that happening." His remarks may have been intended, as some officials said, to reassure voters. But the effect, in the view of some at the State Department, was also to undercut the warning to Iran.

White House and State Department officials describe Mr. Reagan's strategy as follows: Keep a low profile for domestic political reasons and also to satisfy the Saudis. Assure Saudi Arabia, as Mr. Reagan did by letter 10 days ago, of American readiness to provide military and other aid if requested. Make clear to the European allies that they would have to play a visible role in any military



At stake in the Persian Gulf



the countries in the area work things out for themselves.

Saudi strategy, diplomats said, revolves around fears. Riyadh worries that the religious frenzy that has overtaken Iran might spread to the Arabian peninsula if Iran defeated Iraq. So American help was sought. But Riyadh also fears that a visible American embrace or presence could open the door to Soviet intervention or to Islamic terrorism. So, Washington's overtures toward sending military help are resisted.

The Saudis spent the week in full diplomatic motion. With five other Gulf states, they called on the United Nations Security Council to condemn Iran and persuaded Syria to try to calm down Iran. This suits the West Europeans as well. They are concerned that directly involving Washington could raise tensions to crisis levels with East-West dimensions, which is the last thing they desire. On the scene, the Saudis were scrambling their American-made F-15 planes to try to protect their shipping. For the first time, they were signaling willingness to use their carefully husbanded military power. But Administration analysts regard Saudi military action as a last resort. Riyadh has always acted as if its internal situation is too precarious to use force and risk failure.

Moscow Bides Its Time

In the background, Moscow seemed to be quietly rebuilding ties with Iraq with new arms shipments. But Soviet leaders were also being careful not to burn bridges with Iran. Moscow did not need to act for economic or political reasons. Essentially, its strategy is to wait for the West to make a mistake by alienating Iran or Iraq.

At this point, it does not look as if the Saudis and the West will be able to tamp matters down. Iraq's President Saddam Hussein said that he would continue to blockade Iran's oil terminal at Kharg Island. By all accounts, Iraq believed that it must force matters to a head as quickly as possible or suffer irreparable economic harm. By the same token, Iran was not likely to accept this without retaliating against the Saudis and others whose money keeps Iraqi forces in the field. American intelligence sources were still predicting a big Iranian offensive.

For President Reagan it was a time of hoping for the best — a quieting down in the Gulf — and preparing for the worst — an expanded war. While reports from the area indicated that the leaders in the region appreciated American stances and believed the United States would act, Administration officials in Washington worried that the pullout of the marines from Lebanon might have seriously undermined American credibility. To hear some of these officials talk, they would not mind an opportunity to use American military power quickly and decisively to rectify that perception. A successful and low-cost operation against Iran, they believed, might be even more popular at home than the Grenada strike was.

operation. Provide the Saudis immediately with additional weapons — the Administration informed Congress last week it was sending 200 portable antiaircraft Stinger missiles and would seek authority to send 1,000 more. Let the Saudis try diplomatic approaches to Iran. Meanwhile, allow the situation in the Gulf to limp along as long as most shipping continues to get through. Lloyds of London last week raised insurance rates for Gulf tankers 150

percent, and Japan suspended shipping to Saudi ports in the Gulf (but not to Saudi ports on the Red Sea.)

The Democratic Presidential contenders have not had much to add. Senator Gary Hart of Colorado would restrict possible American involvement to air and naval power, with the allies up front. Former Vice President Walter F. Mondale says no options should be foreclosed. The Rev. Jesse Jackson generally stresses the need to let



Four of the five former national guardsmen found guilty last week of killing four American churchwomen in El Salvador.

A Long-Awaited Murder Verdict In El Salvador

There was finally a verdict last week in the case that had come to symbolize Salvadoran abuse of human rights — the murder of four American churchwomen in December 1980. After three and a half years of pressure from Washington and the presentation of evidence meticulously gathered and pieced together by the F.B.I., a jury convicted five former national guardsmen. Judge

Bernardo Rauda Murcia, who had received death threats himself, said he would sentence the men in the next 10 days.

The State Department applauded the conviction. It said allegations that higher-ups were involved would be pursued, notably the suggestion in a report the department had commissioned that Defense Minister Carlos Eugenio Vides Casanova had "quite possibly" acquiesced in covering up for whoever gave the orders. In another move designed to appeal to critics of the right wing, El Salvador announced the transfer of two important rightist military offi-

cers to posts abroad, reducing their power at home.

In four years of civil strife, an estimated 43,000 civilians have been killed in El Salvador, many of them by right-wing death squads connected to the security forces. The United States Congress had held up \$19 million of military aid until after the trial. Last week, after President-elect José Napoleón Duarte said in Washington that he has "the guts" to end death-squad violence, the House voted, 267 to 154, to approve \$62 million in emergency military aid — part of \$179 million President Reagan wants to add for this year. But the House required a new cutoff of aid if Mr. Duarte should be ousted in a military coup.

The Democratic-controlled House then voted, 241 to 177, to refuse additional money this year for guerrillas — Mr. Reagan calls them freedom fighters — who are battling the Government of Nicaragua. The decision was not final, however. The Senate Intelligence Committee voted to continue anti-Sandinista operations.

In Nicaragua, the Government announced it would allow opposition parties 12 weeks of campaigning for elections in November, the first since the Sandinistas came to power in 1979. But four opposition parties threatened a boycott unless the Sandinistas revoke a new press censorship law and give up political control of the army, police and television.

Fighting It Out In New Jersey

The three survivors of the Democratic Party's long march concentrated last week on New Jersey, which at last will have a Presidential primary that counts.

As they might be expected to do, Walter F. Mondale, Senator Gary Hart and the Rev. Jesse Jackson stressed their commitment to doing something about all that toxic waste.

Though all three are scheduled to appear in a nationally televised debate in California next Sunday, Mr. Mondale — motivated perhaps by the fact that his organization is nearing the Federal limit on campaign spending — challenged his competition to give New Jersey voters a home-staged debate of their own.

Mr. Hart, who said he had already debated with Mr. Mondale on more than a dozen occasions, accused the former Vice President of indulging in "juvenile" politics. Making his way round New Jersey, which, like California, Montana, New Mexico, South Dakota and West Virginia, votes on June 5, Mr. Hart denied, as Mr. Mondale had claimed, that he had casually skipped important environmental votes in the Senate. Early in the week, Mr. Hart easily won Idaho's nonbinding Presidential preference primary; in subsequent party caucuses, he picked up 11 delegates and Mr. Mondale acquired seven more.

Mr. Jackson, as he has from the start, continued to emphasize his differences from the two others. "I am the only candidate who goes beyond support for the nuclear weapons freeze to call for meaningful cuts in the military budget," he said, during a stopover in Newark.

Law Firms Held To Anti-Bias Law

A law partnership might be a "voluntary joiner" like a marriage, as a Federal appeals court recently described it. But according to the Supreme Court last week, until the contract is signed and the vows exchanged, associates at law firms are employees working for employers. When being considered for partnership, they are thus protected by the Federal law that prohibits discrimination in employment, the Justices said in a unanimous decision.

Writing for the Court, Chief Jus-

tice Warren E. Burger said that as long as the opportunity to become a partner is "part and parcel of an associate's status as an employee" the antidiscrimination law applies. The Court was considering, in particular, one woman's rejection as partner at a major Atlanta firm. But the ruling might also be applied to other kinds of partnerships, including architecture, accounting and advertising.

Civil rights groups praised the decision. Senior partners at some large law firms predicted more litigation by women and members of minority groups who were passed over for partnership. Statistics compiled by the National Law Journal show that 30.4 percent of the associates in the nation's 100 largest law firms are women, but only 5 percent of the partners are. For blacks, the figures are 2.1 percent of the associates and 0.65 percent of the partners.

The High Court ruling reinstated the discrimination suit of Elizabeth A. Hishon, who, after seven years as an associate at King & Spalding in Atlanta, was rejected for partnership. Both lower and appellate courts had dismissed her case, saying that the Federal law, which bars discrimination with regard to the

"terms, conditions or privileges of employment" did not apply to a partnership's selection of partners. Mrs. Hishon can now go to court to try to prove her allegations.

Where There's Smoke...

For nonsmokers who are bothered by cigarette smoke in stuffy offices and restaurants, last week's report from the Surgeon General was cause for both alarm and relief.

In the strongest statement yet by a high-ranking Federal official on the risks of "passive smoking," Dr. C. Everett Koop said there is "very solid" evidence that cigarette smoke poses a health risk to nonsmokers. The latest Federal study on smoking found that children of smokers have a greater susceptibility to respiratory ailments than youngsters whose parents don't smoke. "A parent interested in the welfare of his child should stop," Dr. Koop said.

Health groups say the Surgeon General's finding will encourage efforts to restrict smoking in public places. The Tobacco Institute disputed the report, citing a study last year by the National Institutes of Health, which found the effects of smoke on nonsmokers to be negligible or quite small. "Health claims by anti-smokers about environmental tobacco smoke remain unproven," the institute said.

Last week's report, which followed past years' studies linking cigarettes to cancer and heart disease, dealt with chronic obstructive lung disease such as emphysema. Up to 90 percent of the cases of the disease are caused by smoking, the report found. Congress, meanwhile, is likely to approve stronger health warnings on cigarette packages and advertising, some Congressmen said. The measure, which requires four warnings, used in rotation, was worked out with tobacco lobbyists.

Mrs. Peron is back in Argentina

3

The World

The Deadly Mix Of Green And Saffron

With strife among the Sikhs of Punjab continuing, a harried Government had to deal last week with another old source of tension in India — the animosity between Hindus and Moslems, which boiled up again in the great commercial and industrial center of Bombay. At least 220 people have died and thousands have nowhere to live after the burning of their homes. More than 4,000 have been arrested.

At independence in 1947, the subcontinent was divided into predominantly Hindu India and predominantly Moslem Pakistan. Hundreds of thousands of people were killed in the communal riots and massacres that accompanied the partition. Among India's 700 million people there are now 80 million Moslems, who have sought to compete with Hindus — often successfully — in an increasingly urban and industrial society. To the tensions that date from the Moguls in the 16th century has been added a modern ill: the presence of unemployed and restless youths frustrated by their inability to share in the greater prosperity of the cities. "Loafer boys" are blamed for much of the Moslem-Hindu trouble in Bombay and elsewhere over the past few years.

The latest trouble began when a group of Moslems sought to pull



Man carries his son, stabbed in Bombay last week.

down the saffron-colored flag of a Hindu militant group and replace it with the green flag of Islam. In the week of rioting that ensued, both sides used rocks, bottles, bricks, swords, acid, knives, and firebombs. The central Government sent in troops and imposed curfews on some districts of the city while Prime Minister Indira Gandhi, who faces national elections later this year, pleaded for an end to disturbances that "weakened the country." Hyderabad, 400 miles east of Bombay, also was hit by rioting, arson and killing between Hindus and Moslems after a local by-election.

Moscow Rattles Its Missiles

Maintaining a sour and threatening mood, Moscow sent out word last week that it was deploying more missiles within 10 minutes of American cities. Defense Minister Dmitri F. Ustinov said more missile-carrying submarines were stationed off United States coasts in response to the deployment of Pershing 2 and cruise missiles in Western Europe. He also warned of more medium-range SS-20 missiles in the Soviet Union if the NATO deployment which began in West Germany, Britain and Italy last year, proceeds in other countries of the alliance.

(Yesterday, American officials privately expressed concern that refusal by the Dutch Government to accept cruise missiles may cause problems in NATO.) His remarks to Tass, the official press agency, were made public the day West German Foreign Minister Hans-Dietrich Genscher arrived in Moscow to urge an early Soviet return to arms negotiations in Geneva. Even before Mr. Genscher could put his case, the Soviet Defense Minister was reiterating Moscow's insistence that the talks cannot resume until Washington withdraws the "obstacles" it created by the deployment.

Moscow seemed annoyed that its countermeasures had not become more of an issue in the United States or Western Europe. "The U.S. ruling circles do not want to tell the truth about them to their own people," Marshal Ustinov said.

The truth about the submarines, as President Reagan saw it at a news conference at the White House last week, was that "this isn't really anything new."

The President got a laugh by remarking that "if I thought there was some reason to be concerned about them, I wouldn't be sleeping in this house tonight."

Rumania Says Yes

Ever the maverick, Communist Rumania said last week that it would attend the Olympics in Los Angeles. The Rumanians emphasized their long independence from Moscow on foreign policy by making the announcement in Prague after a meeting between Olympic officials and leaders of the Soviet bloc boycott, which 12 countries are observing.

While the other Communist countries announced a series of sports events to follow the Olympics, Alexandru Siperco, a vice president of the Rumanian Olympic Committee, said "Rumanian athletes have always taken part" in the Olympic movement and "they are going to Los Angeles."

Rumania's President Nicolae Ceausescu and Konstantin U. Chernenko, the Soviet leader, are expected to discuss their Olympian differences when they meet next week in Moscow.

In Los Angeles, Peter V. Ueberroth, head of the organizing committee, happily announced the acceptance of a record number of countries — 123 — and of athletes — 7,560. The Soviet-led boycott has "failed miserably and been given a kick in the backside," Mr. Ueberroth said.

Israelis Accused Of Attacks

"Our sages said, 'One gains possession of the Land of Israel only through hardship,'" Prime Minister Yitzhak Shamir said last week. "Part of this hardship," he added, was the existence of a group of Israeli settlers accused of attacking and killing Arabs living under Israeli administration.

The Government brought charges against two Israeli Army officers in the West Bank military government and 25 others, some of whom were described by associates as "founding fathers" of the movement to establish Jewish settlements. One officer was accused of providing intelligence information to men who set car bombs that crippled two Arab mayors in 1980. The other officer was accused of failing to share his knowledge of the location of a bomb with a Druze demolition expert who was blinded when it exploded.

Settlers from the West Bank and the Golan Heights were indicted for other attacks, including a raid last summer at the Islamic College in Hebron in which three Arabs were killed. Some of them were accused of planning to place bombs in buses used by Arabs.

The settlers were retaliating for terrorist attacks by Arabs on Jews; Mr. Shamir said it was "widespread and regrettable" that "a small group of people" had turned to vigilante acts. The "decisive majority of the settlers," he said, "disassociate themselves from these acts without reservation. There is thus no justification for sullying the entire settlement enterprise," which continues to have the "full encouragement of the Government."

Catalan Leader Faces Charges

Three weeks ago, Jordi Pujol, the President of the Catalan regional government, was celebrating a resounding re-election victory that confirmed him as the most popular figure in one of Spain's most important industrial centers. Last week, he and the Spanish political world were rocked by charges by the national Government that he had misappropriated funds as head of a Catalan bank that collapsed in 1982.

The charges followed an audit by the Bank of Spain that disclosed embezzlement of \$130 million, according to Attorney General Luis Antonio Burón Barba. Mr. Pujol denied any wrongdoing and charged in turn that the Socialist Party, in power nationally, was seeking revenge for its defeat in Catalonia. In the April election, Mr. Pujol's Convergencia i Unió party, a strongly autonomist group, took 72 of the 135 seats in the regional parliament against 41 for the Socialists.

There has always been a strong rivalry between Madrid and the Catalan capital of Barcelona, which suffered from the Franco regime's efforts to impose central rule and stamp out Catalan culture. With the advent of democracy, Catalonia has regained political autonomy. But the charges against Mr. Pujol raised suspicions among some Catalans that Madrid was up to its old tricks.

"There is an obvious desire on the part of the Government to discredit the whole process of Spanish autonomy," Miquel Roca, No. 2 in the regional party, asserted. The Attorney General and Deputy Prime Minister Alfonso Guerra denied any political motivation.

MEL FREUDENHEIM
HENRY GINIGER
AND RICHARD LEVINE

New Statutes Give the Authorities More Leeway

Why Sakharov Still Hits a Soviet Nerve

By SERGE SCHMEMMANN

MOSCOW — The disclosure that Andrei D. Sakharov had launched a hunger strike in the isolated city of Gorky brought a swift and explosive reaction from the Soviet state. An article accusing Yelena G. Bonner, his wife, of plotting with the United States Embassy was published in every Soviet newspaper of note, and a personal attack on her was prominently displayed in Izvestia, the Government newspaper. The K.G.B. security police, charged Mrs. Bonner with anti-Soviet crimes, preventing her from returning to Moscow. The Sakharovs' friends and contacts in Moscow suddenly found themselves carefully watched and without telephone service. Dr. Sakharov was spirited away, probably to a clinic.

Why such energy and fury? The reaction, it could be argued, only served to generate more sympathy and publicity for Dr. Sakharov, who won the 1975 Nobel Peace Prize. A K.G.B. general had argued as long ago as 1981 that the dissident movement was essentially routed, and that what remained were separate groupings of religious believers, nationalists and other antisocialist elements.

The primary explanation was the stature of Dr. Sakharov. None of the dissidents still in the Soviet Union, whether in labor camps, exile or at large, has a position approaching his. A man who ranked at the pinnacle of the Soviet elite — before he was stripped of his honors — he was thrice a Hero of Socialist Labor, an accolade so exalted that Konstantin U. Chernenko, the Soviet leader, has received it only twice. As late as 1976, when Mr. Sakharov had long been active as a dissident, the Great Soviet Encyclopedia still felt compelled to print his biography and photograph. And when the state cracked down in January 1981, even his punishment was special — banishment to Gorky, a city closed to foreigners where he was to live under 24-hour police guard.

The reaction to his hunger strike probably reflected alarm that forces had been set loose that would set off repercussions abroad. The state reacted as it always does in such circumstances, scrambling to cut off sources of information and issuing a barrage of accusations. But there were deeper dimensions to the reaction. The K.G.B. general who had declared the dissidents crushed in 1981 also wrote about the need to maintain unwavering vigilance against what he called Western-backed subversion, a category including everything from Jewish refuseniks to Western pop music. The theme has often been repeated, most notably in a book by Nikolai Yakovlev, "C.I.A. vs. U.S.S.R.," which viewed all manifes-



Special Feature/Sipa Press/Yefim Yankelevich
Andrei D. Sakharov in Gorky in March. Photograph was taken by his wife, Yelena G. Bonner.

tations of discontent as part of a C.I.A. plot to undermine Soviet power. Dr. Sakharov and his wife featured prominently in the 1983 edition of the book. It was hardly surprising that at the first sign of action by Dr. Sakharov, the authorities portrayed his hunger strike in subversive colors, linking it with the United States Embassy and charging Mrs. Bonner with anti-Soviet activities.

Dr. Sakharov seemed to have touched a live nerve, a fear that the dissident Hydra's severed head would spawn new heads.

The anxiety was not all that far-fetched. The human rights movement that sprouted in the 1960's and blossomed as the Helsinki agreements were being signed in 1975 has been routed and splintered. But many elements that fed it remain alive: Lithuanian Catholics, Jews denied emigration, banished Crimean Tatars, ethnic Germans, Ukrainian and Estonian nationalists, fundamentalist Christians, Russian Orthodox activists and advocates of human and political rights.

An underground chronicle known as Bulletin B circulates with extraordinary regularity. Hardly a week passes without news of an arrest or conviction. The names may lack the international resonance of earlier activists such as Yuri Orlov, Anatoly Shcharansky or Dr. Sakharov, but the arrests, exiles or imprisonments of Yelena Sanikova, Tatiana Trusova, Valery Senderov, the Rev. Alfonsas Svarinskas, Yosi Begun, Yuri Tarnopolsky, Sergei Khodorovich, Vladimir Albrekht and many others testify that the K.G.B. did not eliminate the dissident movement's roots. The authorities evidently fear that if they let down their guard for even a minute, it could all coalesce again into a political challenge.

Denouncing Israel

The targets of the last two years have included groups as disparate as administrators of the Solzhenitsyn Fund, set up by the exiled novelist to assist families of political prisoners, and an unofficial antiwar movement in Moscow. Jewish emigration has been effectively choked off. An anti-Zionist committee periodically denounces Israel. In 1982, Bulletin B reports, there were 277 politically motivated arrests, 79 trials, 538 interrogations, 311 searches, 236 conversations with the K.G.B. and 413 detentions. The 1983 figures are likely to be similar.

Another telling development in the last year was the passage of amendments to laws that made it dangerous to receive material support from abroad in any form and illegal to divulge ill-defined workplace secrets, and gave penal authorities the right to extend prison or labor camp terms for any infringement of regulations. The last measure essentially gives the state a tool for keeping political prisoners in camps indefinitely. As far as is known, these measures have not yet been applied. But the fact that the Soviet regime discerned weaknesses in a system already weighted overwhelmingly in its favor gave an indication of pervasive insecurity on high. Dr. Sakharov had clearly touched that insecurity, but it remained unclear what the state would do next.

Activists Have Been Going Underground for Centuries

In Poland, Sub Rosa Politics Is A Science

By JOHN KIFNER

WARSAW — Poland has long been an underground nation. "In our country this is a big tradition," said a university student who came out of hiding under a Government amnesty but remains active in what is left of the outlawed Solidarity. "My grandfather was in the same situation."

Although the free-wheeling organizations that flourished in Solidarity's brief heyday have been crushed and their remnants constantly disrupted by the police, the underground still manages to function. Last week, dissidents in Warsaw showed off their capability by arranging a clandestine interview with a Soviet Army deserter who said he had been hidden in more than 20 homes since December 1981.

At least as far back as the partition by Russia, Austria and Prussia that erased Poland from the map from 1793 until after World War I, Poles have organized underground political and cultural networks, largely nurtured by the Roman Catholic Church in its role as guardian of Polish nationalism. After an unsuccessful uprising in 1830, patriots established the clandestine "flying university," a forerunner of the classes conducted by dissident intellectuals who formed the Workers Self-Defense Committee (K.O.R.) in 1976. Under Nazi occupation in World War II, Poland had perhaps its most complete resistance organization, embracing everything from schools to secret local governments.

Today, referring to the two-fingered "V" flashed by Solidarity supporters, the military ruler, Gen. Wojciech Jaruzelski, accurately complains that there is no such letter in the Polish alphabet. But it has its roots in the World War II resistance symbol, dot-dot-dot-dash in Morse code that approximates the opening notes of Beethoven's Fifth symphony — broadcast in those dark days by the BBC — and stands for "V."

The underground operates on several levels. There is a cadre of activists, the nucleus of which is the five-man steering committee known as the T.K.K. Beyond that are several hundred thousand people involved in work such as printing and distributing a vast outpouring of newsletters, pamphlets, journals and books that are the most distinctive feature of intellectual life. The network manages to function in major industrial centers such as Wroclaw, Gdansk and Nowa Huta; last month there was word of a new organization in the Silesian coal field in the southwest.

"We would estimate in Warsaw there are about 5,000 people who are really underground," said a slim, dark-haired young woman in designer jeans whose business is moving fugitives from house to house. "I don't mean those who just go to the special masses," she added, "but people who are in hiding or actually running the presses."

Hundreds of underground broadsheets and newspapers pass from hand to hand, along with a growing body of serious literature. Underground printing has become the main target of the au-



Gammal-Lindberg

thorities. Last month, dissidents said, the police broke up a ring operating in, of all places, the main official publishing house, Dom Słowa Polskiego, where the Communist Party and Government newspapers are printed.

Symbolic Gestures

Perhaps equally important is the widespread support of underground operations by what might be called "the middle" — above-ground sympathizers. Indeed, the university activist said he had accepted amnesty because his underground printing operation was functioning smoothly and it became more effective to work in the open.

"We have organized the technical base," he said. "Most of this underground press is being printed by normal people." In high schools and universities, he added, student governing organizations are dominated by Solidarity supporters, under rules that are "a wall that can protect us."

The authorities got a taste of it recently when Janusz Onyszkiewicz, a mathematician who had been Solidarity's chief spokesman, was among those elected to the Academic Senate of Warsaw University.

The Government has proven repeatedly that it

can mass an awesome display of riot policemen backed by water cannons to quell any attempt at street demonstrations. Yet, Poles persist in what are by now largely symbolic gestures, including the memorable appearance of Solidarity founder Lech Walesa and cheering supporters who infiltrated an official march on the May 1 Communist holiday. Since the Solidarity era, underground leader Zbigniew Bujak said in an interview last year, "the system has been unable to regain its original effectiveness in spite of the repressive legislation embracing practically all areas of social life." The authorities, he added, no longer have the power to force social behavior based on "resignation from the struggle."

Mr. Bujak, a 29-year-old former factory mechanic, advocated the now widely held policy of the "long march" of resistance — developing hidden institutions of culture and education to prepare for the future. In recent months, that counterforce, largely protected by the church, has taken root throughout Poland in such activities: Government songs and ideas and art shows and political theater in private apartments. "We haven't tanks, but we have time," the university student said. "Time works for us."

Argentina Faces a Deadline This Week on Its \$20 Billion Foreign Debt

Mrs. Peron's Return Could Strengthen Alfonsín's Hand

By EDWARD SCHUMACHER

BUENOS AIRES — Former President Isabel Martínez de Perón returned to Argentina last week for national unity talks with President Raúl Alfonsín, but her presence quickly became more critical to unity inside her own Peronist Party. After dominating this country's political life for nearly 40 years until Mr. Alfonsín's election in October, the Peronists face the possibility of breaking up.

Mr. Alfonsín had encouraged the return of Mrs. Perón, calling her in Madrid where she has lived since the military Government released her from house arrest three years ago. She had visited Argentina only once since then, to attend his inauguration in December.

She is still president of the Peronists and Mr. Alfonsín had sought unity talks with them and other parties to prepare for more austerity. The Government is negotiating with the International Monetary Fund for a bail-out plan that would lead to refinancing more than \$20 billion in foreign debt that the country cannot repay. The I.M.F. negotiations have been stalled, but there is a deadline Thursday, when an agreement is supposed to be in place if the Reagan Administration is to fulfill its part in

a rescue plan hastily devised two months ago to pay some of the arrears. Mexico, Brazil, Colombia and Venezuela put up \$300 million to aid Argentina with the proviso they would be reimbursed by the Americans once an I.M.F. agreement was reached. The four want their reimbursement, adding to the international pressure on Mr. Alfonsín.

But Mr. Alfonsín has so far refused to accede to I.M.F. demands to impose so much austerity that it would endanger the country's nascent democracy after nearly eight years of military rule. He fears a social backlash. Already, militant unions are harassing the Government with strikes. Last week, they shut down the railroads for 24 hours and halted much of the capital's subway service.

Aggravating the growing conflict with the unions have been attempts by Mr. Alfonsín to rid them of their powerful old bosses. Convinced he has much rank and file support, he insists that democracy in the unions is needed if democracy is to survive in the country. But a bill he tried to push through Congress requiring court-controlled union elections was defeated in March in the Senate, where the Peronists got support from provincial senators. Direct attack having failed, Mr. Alfonsín switched

to compromise and efforts to promote a sense of national unity.

Mr. Alfonsín hopes Mrs. Perón will impose some order over the unions and the badly divided Peronists. She was herself overthrown amid chaos in 1976 that included union strikes. There were some indications after the meeting the two held last week in the President's pink palace that his invitation might pay off. Mrs. Perón cautioned her supporters to "take care" of our "dear President" who "I see is working very much." She told legislators to go easy in their questioning of Economy Minister Bernardo Grinspun on the debt last week and they did.

The President and former President are scheduled to meet again, possibly over the weekend, but it is uncertain how far Mrs. Perón can go. While she was abroad, she maintained tremendous power as a symbol, the widow of the party's founder, Juan Domingo Perón. But that power may be fading. As she has moved into practical politics, grumbling from the many fieldhands inside the Peronist movement has grown.

The discontent has so far been expressed privately for fear of appearing treasonous to the symbol. But the party's elected national council, headed by First Vice President Lorenzo Miguel, a powerful labor leader who has run the party in Mrs. Perón's absence, debated into the early morning last week over whether to declare an outright break with her. Mr. Miguel finally rejected the proposition, "for today," he reportedly said.

The Myth Has Weakened

Animosity within the council toward Mrs. Perón has been provoked to a large extent by the snubs it has suffered at Mrs. Perón's hands. She has relied on a "liaison committee" of ultra-loyal leaders such as Pedro Arrighi and Juan Labake. Mrs. Perón took both the liaison committee and the national council to the meeting with Mr. Alfonsín. The two groups, totaling 36 people, jostled undecorously for seats at the conference table, and when the time came for someone to speak for the party, Mrs. Perón overlooked Mr. Miguel and asked Mr. Labake to make the presentation. She later rejected an invitation to go to party headquarters and take her seat as president, preferring to work out of her hotel.

Since the death of General Perón in 1974, when Mrs. Perón, the Vice President, succeeded him, the idea of the party as a "movement" loyal to the Perón myth has weakened, as many political leaders have cautiously sought to convert it to a normal, internally democratic party. Mrs. Perón did not have the same hold over people as the general's first wife, Eva, who died in 1952. But any move to break with the myth would likely force the party to make a precise definition of itself, opening a Pandora's box. Peronism is currently an ill-defined populism that ranges from leftist intellectuals to rightist labor leaders, many of whom hate each other more than they do Mr. Alfonsín. The two extremes fought each other in terrorist wars in the early 1970's, and could do so again. Any change in the Peronists would fundamentally change the nation's political makeup.

While Mr. Alfonsín may be benefiting politically by the confusion in Peronist ranks, his aides say it is more important for him to have someone to talk to who could enforce an agreement over austerity and debt policies. If the Peronists fall apart, so might his cherished goal of national unity.



President Raúl Alfonsín with Isabel Martínez de Perón in Buenos Aires last week.

United Press International

Shiite Attacks Against Israelis Have Become Frequent

From Friends to Foes in South Lebanon

By THOMAS L. FRIEDMAN

BEIRUT, Lebanon — Several hundred Shiite Muslims demonstrated in West Beirut last week against the Israeli occupation of south Lebanon and they ended their protest with the vehement chant: "Khaibar, Khaibar, ya Yahood, Jish Mohammed sa ya'ud." The chant extolls the ancient battle of Khaibar, in which the Prophet Mohammed defeated the Jews of Arabia and warns that his army will be returning.

The protest reflected the increasing agitation of Lebanon's Shiites against the Israeli occupation of the south — where 80 percent of the population is of Shiite origin — as well as the way that religion is being used to mobilize resistance against the Israeli presence.

When the Israelis invaded south Lebanon in June 1982, most of the local Shiites greeted them as liberators from the Palestine Liberation Organization. But by staying in south Lebanon two years after the P.L.O. were driven out, and by engaging in such stringent security measures as virtually closing off the south from the rest of the country, the Israelis have disrupted economic activity and attracted a new enemy in Lebanon. Unlike the P.L.O., this enemy is rooted in the south and appears increasingly ready to oppose the Israelis on religious as well as political grounds.

"I think that if the Israelis were to leave south Lebanon tomorrow the Shiite resistance would not follow them across the border," said a Western diplomat in south Lebanon. "But if the Israelis remain where they are and continue doing what they are doing, they are going to help create a Khomenei movement on their own border. People who never dreamt of doing anything across the border

are going to declare their own little Jihad (Holy War)."

Attacks against Israeli troops in south Lebanon have been steadily increasing and are now running at a rate of almost two a day. A week does not go by without an Israeli soldier being killed or wounded. The Israelis have tried a variety of tactics to break the resistance and reduce their casualties — including attempts to build their own South Lebanon Army from local recruits — but none has been very effective.

Sophisticated Resistance

Western security sources in south Lebanon say the guerrilla operations against the Israelis are being mounted by two main groups. The first is small cells of Shiite youth gathered around a religious figure or charismatic militant. Usually all members of the cell are blood relatives and do not allow any outsiders in, making them very difficult to penetrate with informers. There is no overall organization linking the cells, so breaking one does not necessarily lead to another.

The second group consists of the Lebanese Communist Party and the Organization of Communist Action in Lebanon. Both are made up almost exclusively of Shiites and have been operating in south Lebanon for years. Unlike the P.L.O., the Communist organizations always worked in underground cells tightly bound by ideology. When the Israelis invaded, the Communist arms caches and membership were rarely discovered.

The resistance of these groups against the Israelis has become quite sophisticated, in terms of both the homemade explosives being assembled — often with help from former P.L.O. bomb experts trained in Eastern Europe — and the early warning systems being used to alert villagers when an Israeli convoy is approaching. Some

villages put a cassette tape in the mosque minaret that wails "God is Great" when the Israelis are spotted. The Israelis have tried to combat this by removing the mosque loudspeakers in one village and by occasionally driving around in unmarked banana trucks.

Lately, the movement against the Israelis has been given an added push from Beirut, where the new Cabinet has begun to use the Israeli occupation as a means of diverting public attention from its failures. On Wednesday, the Cabinet met to discuss how to put the Lebanese Army back together — the key issue that has been holding up all progress on national reconciliation. It was a stormy session that ended in deadlock. Prime Minister Rashid Karami, however, came out after the meeting and declared that the ministers had barely "touched on" the army issue. More importantly, he said, they had decided to summon the ambassadors of the five permanent members of the Security Council to discuss Israeli "human rights violations" in South Lebanon — as if that was all the country was waiting for. In fact, the Lebanese Government knows that the last thing it can afford now is an Israeli withdrawal from south Lebanon. Since there is no army that could be dispatched there to fill the vacuum, a bloodbath would almost certainly ensue among Shiites, Christians and Sunni Muslims scrambling for control. Such internecine fighting could undermine completely the Government's attempts at national reconciliation.

But, as Israel's Defense Minister Moshe Arens noted last week, there is no chance of an early Israeli pullout. Israel's dilemma is that it cannot withdraw from south Lebanon until either it or the Lebanese Government builds an army of Lebanese that can effectively take its place. Yet, every day the Israeli army stays in the south, it is creating another new enemy on its northern frontier.



Shiite Muslims demonstrating in Beirut against Israeli occupation of south Lebanon.

Tribal Politics

Religion and Kinship Still Cut Deeply In Africa

By CLIFFORD D. MAY

YAOUNDE, Cameroon — Last month, in the Guinean capital of Conakry, an old woman leaned across a restaurant table and whispered: "A storm is brewing, I tell you. The Susu and the Fula are plotting against the Malinke." Within eight hours, a coup d'état had overthrown a political structure that had endured for the past quarter century.

In the Nigerian capital of Lagos a few weeks later, a critic of the civilian Government overthrown by the military New Year's Eve confided: "The Yorubas and the Ibos are beginning to say that maybe the problem is not whether soldiers or civilians are in charge, but the fact that either way it's the Fulanis who hold all the power."

And a few days ago in Yaounde, where several hundred Moslem northerners are facing trial on charges of participating in an attempt last month to overthrow President Paul Biya, who is a Christian from the south, a university student was asked to name the issue that threatened his country most. "Conflict between tribes, religions and regions," he said without hesitation. "That's the biggest problem by far."

Of the many forces that buffet the people of Africa, the frictions between people of the same citizenship but different cultural, linguistic or religious backgrounds appear to be playing a significant role in virtually every African country where there is turmoil. Traditional forms of identification and allegiance appear to be on the rise.

"When you have a contracting economic pie, as you do in Africa, there's going to be increased competition," William Foltz, a Yale University political scientist, noted. "And that competition is likely to break out along the lines of the relevant social units, which in this part of the world largely means along tribal or ethnic lines."

The social and political communities that rose and fell over the centuries ranged from tiny villages of related clans in the isolation of central Africa's rain forests

Fulani tribesmen at a political rally in northern Nigeria.



Beryl Goldberg

to the elaborate kingdoms and empires of ancient West Africa. If there has been one common denominator, it is allegiance based far more on kinship than on geography.

The modern boundaries of Africa are mainly derived from the colonial partitions imposed by European powers in the latter part of the 19th century. Such partitions were declared to be national borders beginning in the late 1950's despite the fact that, with few exceptions, the peoples gathered within them had neither a language nor a culture in common aside from those inherited from the colonial power.

A generation later, tribal or ethnic allegiance is still a thorny question for Africa's leaders. To give it attention, many believe, risks encouraging further sectarian conflicts. The differences between peoples can be as vast as, for example, in Sudan, where the recent imposition of Islamic law by rulers from the Islamic north has set off a rebellion among the southern tribes, who hold Christian and traditional faiths. In many cases, however, the differences may be more subtle. Sometimes the issue boils down to which people — or tribe or religious group — is to hold power.

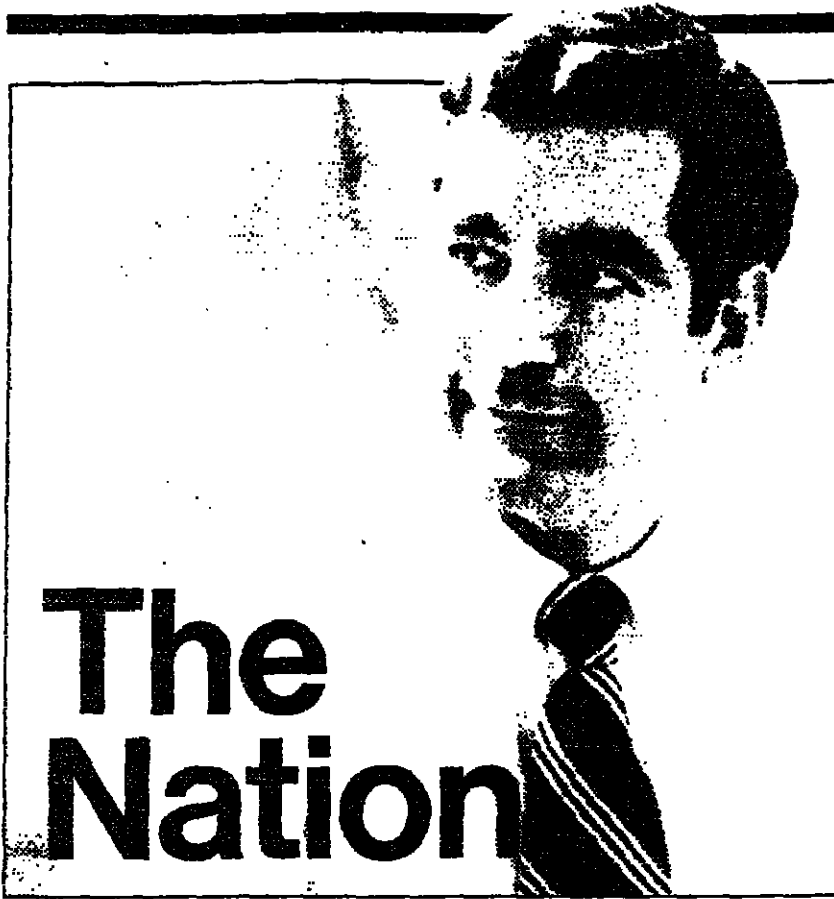
Under President Ahmed Sekou Touré, who ruled Guinea from independence in 1958 until his death two months ago, almost all the key government posts had been held by members of the Malinke tribe, to the resentment of the Susu and Fula populations.

In Nigeria, too, where a war was fought in the late 1960's to prevent the Ibos from seceding and forming a nation called Biafra, the new military leadership has exhibited considerable sensitivity on the subject of ethnicity. Several Nigerian journalists have lost their jobs for questioning whether there was an example of tribal discrimination in the fact that former President Shehu Shagari — a Hausa-Fulani like the new head of state, Gen. Mohammed Buhari — had been placed under house arrest while former Vice President Alex Ekwueme, an Ibo, had been detained in a maximum security prison.

But even the strictest taboos on discussing ethnicity and its ramifications are unlikely to make the issue go away, any more than Africa's nation-states will step aside in favor of the traditional bonds. A more probable scenario is that over time, such identifications may simply become overlaid or clouded by other allegiances.

For example, about 20 percent of Cameroon's population come from an area that was colonized by Britain rather than France and most of them, no matter what their tribe, now identify themselves as English speaking regardless of how well they learn to speak French.

"We Anglophones have been oppressed by the Francophones here," a Cameroonian professor charged. "And oppression anywhere in the world only makes a people cling even more fiercely to their identifications." But a sense of allegiance to country may be developing. "When Cameroon won the Africa cup in soccer this year," the professor said, "I cheered and cheered. I won't deny it."



The Nation

Federal Deposit Insurance Corporation chairman William M. Isaac

Continental Goes to the Next Window

The recently announced bailout of the Continental Illinois National Bank and Trust Company apparently left some in the financial community unconvinced that the big Chicago bank was out of danger. The doubts spawned rumors last week, and the rumors gave way to fear, prompting banking and government officials to reassure investors that the sky — in this case, the Federal banking system — was not falling.

First came reports that Continental, which was promised a record

\$7.5 billion in private and Federal aid to meet a liquidity crisis, was in worse shape than had been thought. The lines of credit were supposed to tide the bank over until it straightened out its affairs or merged with a stronger institution. But as potential buyers began to look over the bank's books, word went forth that Continental might not be carrying just the reported \$2.3 billion in shaky paper that had prompted the crisis, but upward of \$4 billion in non-performing loans — those on which payments are more than 90 days overdue. Bank officials disputed this.

Doubt was cast on the ability of the nation's eighth largest bank to stay afloat on its own and questions raised about its attractiveness as a

merger partner. Eyes then turned to the Federal Deposit Insurance Corporation, which, as part of the bailout, had loaned Continental nearly 10 percent of the \$16 billion F.D.I.C. reserve fund and taken the unusual step of guaranteeing all Continental creditors and depositors that they wouldn't lose a dime.

"Continental won't fail — we'll make sure of that," said Alan Whitney, spokesman for the F.D.I.C. In another show of confidence, the agency's chairman, William M. Isaac, recently declared the reserve fund was "capable of withstanding any imaginable scenario."

Wall Street wasn't so sure. As the week ended more questions were raised about the F.D.I.C.'s wisdom and rumors of trouble in other big banks sprang up. The market responded by dumping bank shares wildly, particularly those of Manufacturers Hanover Trust, which denied rumors that it was in trouble.

Echoes From Grove City

President Reagan and Capitol Hill were at odds over civil rights last week. This time the dispute concerned a decision handed down by the Supreme Court in February — the Grove City College ruling — that critics said would sharply limit the enforcement of Federal laws.

The Administration came out against legislation intended to undo the Grove City ruling, which said that Federal prohibitions against sex discrimination applied only to the college program or activity that received Federal money, not to the rest of the institution. Mr. Reagan said he agreed that the Grove City decision should be overturned but insisted that the bill went too far. William Bradford Reynolds, Assistant Attorney General for civil rights, told Congress that the bill could lead to "unwarranted interference with impor-

tant state prerogatives."

Many Republicans seemed to think that the position amounted to unwarranted insensitivity. "We're the party of Lincoln," said Representative Hamilton Fish Jr. of New York. "I'd like to see the party leading the parade." Two House committees approved the legislation unani-

mously and sent it to the floor.

The House approved the Pension Equity Act 413 to 0, another bill drafted in response to an earlier Supreme Court decision — this one a ruling that it was illegal for pension plans to pay smaller monthly benefits to women. Among other things, the bill prohibits penalties during

such job absences as maternity leaves. A conference committee will now set to resolving differences with a Senate bill adopted in November with White House support.

Carlyle C. Douglas,
Michael Wright
and Caroline Rand Herron

Reagan Gets Ready to Go Back on the Road

WASHINGTON — At the White House last week, plans were afoot for the next show of global statesmanship by President Reagan, who is scheduled to leave this Friday for Ireland, France and an economic summit conference in London.

Sandwiched in between his meetings on the situation in the Persian Gulf, Mr. Reagan was briefed on the international debt crisis, an array of trade issues, currency exchange rates and other matters that will be on the agenda of the 10th Annual Economic Summit of Western industrialized nations in London, June 7-9.

In summits past, the participants wrangled, for the most part, over the best strategy to achieve economic growth. This time, Administration officials are hopeful that a generally widespread pattern of growth, with inflation remaining low, has brought a "convergence" of views on the policies to sustain it.

Mr. Reagan's counterparts are therefore likely to hear a familiar message from him — that the worldwide economic growth vindicates his approach to the economy. First and foremost, that approach is one of worrying less about the

Federal deficit than about fending off Democratic schemes to close it by cutting military spending or raising taxes. A senior Administration official acknowledged last week that there was little hope of convincing Washington's allies of the rightness of Mr. Reagan's views. "They'll be bashing us about the deficit, just as they always have," he said.

At the same time, Mr. Reagan is expected to go to the summit with less "bashing" of his own in mind. He plans no new initiatives to try to reduce trade with the Soviet bloc, for instance.

East-West trade has been one of

the most contentious issues of earlier summits. The Administration hopes that the President's more conciliatory stance on that topic and others will be rewarded by his colleagues.

There is a possibility that political issues could intrude on the summit. Mr. Reagan is expected to face large anti-war demonstrations on his trip to Ireland, even as he visits the birthplace of his grandfather in Ballyporeen. The protests are likely to focus on his Administration's policies in Central America and on objections to arming Europe with a new generation of American missiles.

The President also plans to sound a note of commitment and solidarity with Europe on June 6, at the 40th anniversary of the landing of the Allied Expeditionary Force on the beaches of Normandy. The poor state of relations with the Soviet Union could therefore be on the mind of participants in the London conference.

American officials say it would not be surprising if those attending the summit again set aside interest rates, deficits and other economic matters to speak of the concerns of their constituents about rising tensions in the world.

— STEVEN R. WEISMAN



Tom Bloom

Spending Limits Are a Major Hurdle to Congressional Action

Raising the Ante on Reagan's Deficit Plan

By JONATHAN FUERBRINGER

WASHINGTON — The legislative work isn't over yet, but so far the House and the Senate have defied the "conventional wisdom" that a deficit reduction package would go nowhere in a Presidential election year.

As it left for its Memorial Day recess Thursday, Congress appeared close to approving a package that could reduce the Government's red ink by \$140 billion to \$180 billion through 1987, considerably more than the \$100 billion down payment the President called for — but was not expected to get — in his State of the Union Address.

The Senate plan, approved after five weeks of debate, would reduce deficits by a projected \$141 billion. Some \$40 billion would be saved by holding military spending to a 7 percent average growth, after inflation, for three years; on the domestic front, spending cuts would total about \$35 billion. About \$48 billion would be raised through tax increases and rest is interest that would be saved if deficits were lower.

In the House version, military outlays would be held to 3.5 percent growth, saving \$86 billion, while domestic spending would be reduced by about \$15 billion, just half

the President's figure. Interest savings are over \$20 billion. Only on tax increases are the two proposals close.

Some Congressional leaders are optimistic about the prospects for compromise when the House and the Senate meet in conference next month. "I still think we'll get a major portion of that," said Representative Trent Lott of Mississippi, the House Republican whip, referring to the Senate package. "There is a good chance of reaching agreement," echoed Representative Thomas S. Foley of Washington, the Democratic whip. "The actual spending restrictions and the revenue will be in the range of \$150 billion or \$160 billion."

Senate majority leader Howard H. Baker Jr. almost singlehandedly shepherded the deficit reduction package through the Senate. But now, to the surprise of some of his colleagues, the Republican from Tennessee is insisting that the ceilings or caps on military and domestic spending that were included in the President's proposal be in the final package. "The President won't sign it without the caps," Mr. Baker said in an interview. "I'm not going to support it without the caps and I have requested our conferees to stand by the caps." He acknowledged that his insistence could mean a stalemate.

The caps, which would be set for each of the next three fiscal years, are the "essence" of the President's

plan, Mr. Baker argued. They are designed to ensure that domestic spending is cut and that, if military spending is increased less than the President wants, the savings are used to reduce the deficit, not shore up popular domestic programs. Much of the original optimism on Capitol Hill about an eventual agreement assumed that the House would oppose the spending caps but that neither the Senate nor the President, accepting political reality, would insist on them.

Representative James R. Jones, Democrat of Oklahoma and chairman of the Budget Committee, said, "The caps will not be agreed to because the Senate ultimately has to come down on defense and both sides will recognize that a cap is not enforceable in the next Congress."

Pressures for Action

If he sticks to his guns, Mr. Baker's position also means he will oppose sending the President the tax increase portion of the deficit reduction package before the House and Senate agree on spending cuts. Both Senator Bob Dole, Republican of Kansas and chairman of the Finance Committee, and Representative Dan Rostenkowski, Democrat of Illinois and head of the Ways and Means Committee, had hoped for a quick agreement on the tax increase.

Many analysts believe there may be ways around Mr. Baker's conditions. One is to attempt to get the House and the Senate to approve many of the important appropriations measures before a tax bill goes to the White House, allowing the President to point to a record of restraint when he signs the tax increase.

In addition, there is still much pressure on the President and the Congress to approve a deficit reduction package this year. Despite the President's prediction last week that interest rates will fall over the next few months, many economists say they could go higher, especially if this admittedly modest package is not approved. Deficit skittishness was also evident last week when the House, on its first roll-call vote, defeated the \$30 billion increase in the national debt ceiling, only to pass it the second time, along with the Senate.

The outlook for the economy is also sufficiently unclear to make the White House and Congress concerned about the political and economic consequences of doing nothing. The Consumer Price Index for April rose five-tenths of 1 percent, the Labor Department reported last week, the biggest increase since January, confirming some fears that the pace of inflation is picking up.

At the same time, orders for durable goods were said to have fallen 6.4 percent, the largest decline in four years. But other signals showed that the economy was still growing strongly in the second quarter. It's generally agreed that continued rapid growth could result in either renewed inflation or, to combat it, a tightening by the Federal Reserve, pushing interest rates higher.

Sagging Demand May Temper the Union's Contract Goals

This Time, Coal Miners Don't Seem Steamed Up

By WILLIAM SERRIN

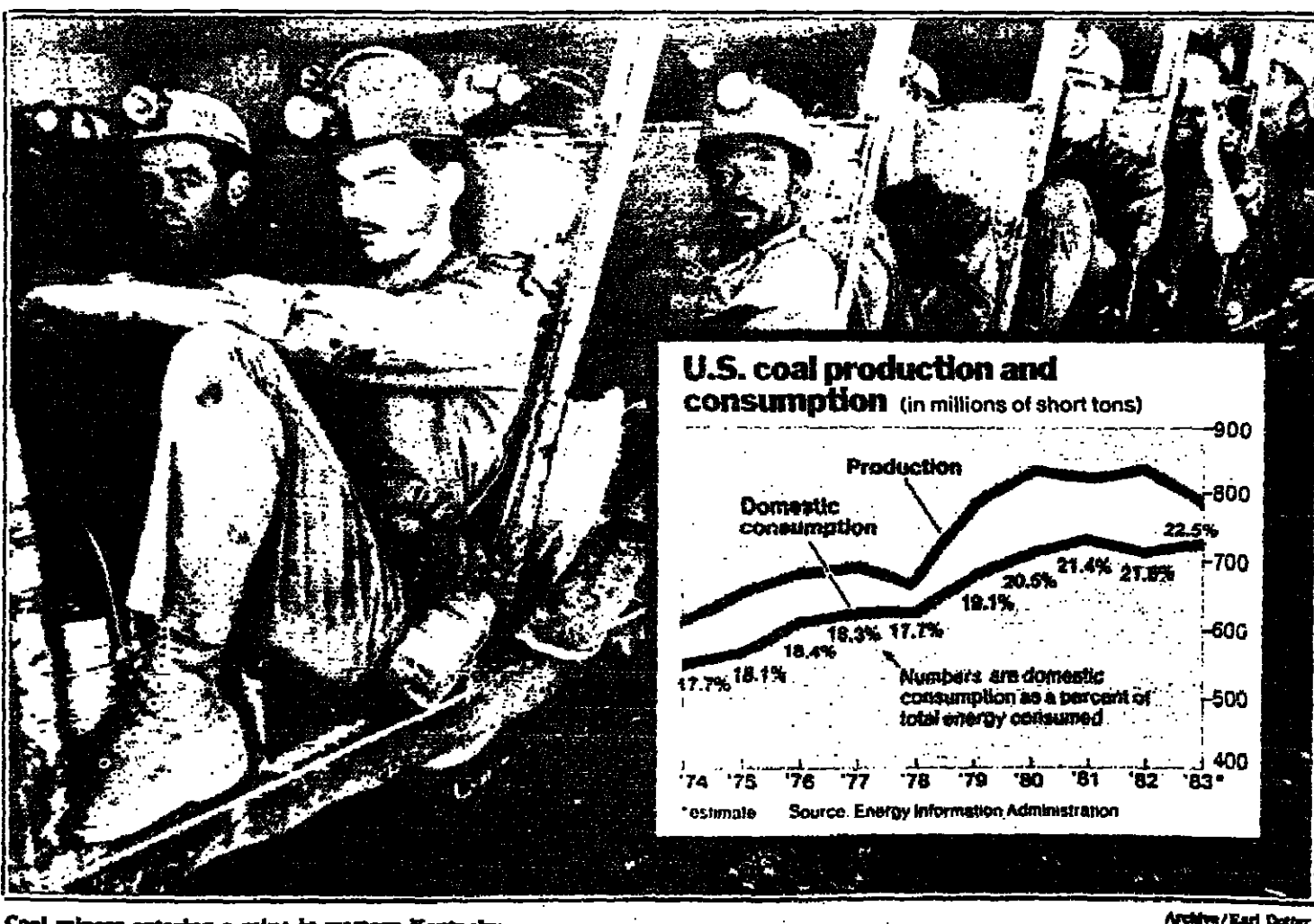
BELLAIRE, Ohio — The nation's coal miners have begun their contract bargaining at a hotel in Washington. But it is out here in the coal fields, hundreds of miles away, that a contract will be rejected or ratified.

District 6 of the United Mine Workers of America is a rebellious region even by miners' standards. The Ohio district has a long history of opposing union leaders and the contracts they negotiate. Mine workers here were ardent foes of the union's former president, Sam M. Church Jr., who, they contended, did not protect their rights on such things as pensions, both for retired miners and miners' widows. But so far this year, even these wary members of the rank and file seem pleased with their new president, Richard L. Trumka, and his bargaining tactics in negotiations with the Bituminous Coal Operators Association. "Rich has really strengthened the union — at the international, the districts and the locals," said Bob Kendrick, a mechanic at the Muskingum surface mine in Dresden, Ohio.

The miners' expectations are tempered with reality. "We're pretty low key right now," said Larry Ward, a mason in the Youghiogheny underground mine in Hope, Ohio. Many workers want improved contract language on arbitrations and hospitalization, he added, but "wages are not really what you call a priority."

Mr. Kendrick agreed. "The fellows are not really after the big money," he said.

The demand for coal is down, mines are closed and others are operating at reduced capacity. There is growing competition from abroad. The promise of increased reliance on coal, which produces 20 percent of the nation's energy, in the mid-1970's never materialized. The mine workers' union has about 160,000 working members with an additional 50,000 unemployed, many with little chance of being rehired. The share of American coal mined by the union has fallen to 40 percent.



Coal miners entering a mine in western Kentucky.

Arnold/Earl Dotter

The 34-year-old Mr. Trumka, who defeated Mr. Church in 1982, is taking part in his first national collective bargaining. He faces a tough opponent across the table in the often pugacious Bobby R. Brown, chief negotiator for the soft-coal operators. Mr. Brown has said that any new agreement must restore competitiveness to the industry. Bituminous, or soft, coal is used by industry and power plants. Anthracite — hard coal — which now accounts for less than 1 percent of coal mined in the United States, is mainly burned for home heating.

Too much coal is being produced for the market, Mr. Brown said at the ceremonial opening of the bargaining talks in April. "This has resulted in some harsh realities — depressed prices, closed mines or curtailed produc-

tion, thousands of coal miners laid off," he said. Any gains made by the workers in the new agreement, he has suggested, will have to be tied to productivity increases. Mr. Trumka has also vowed to remain firm. He pledges, as he did during his election campaign, that there will be "no backward step" in bargaining, a phrase he borrowed from the old union chieftain, John L. Lewis. "No rational arguments have been put forth that justify concessionary demands upon the union," Mr. Trumka says.

There has not been an agreement in the soft-coal industry without a strike since 1964. The most recent one was a 72-day walkout during the last collective bargaining in 1981.

Both sides say a strike this fall is possible. But, since

nonunion mines, which produce 60 percent of the nation's coal, continue to operate, however, the effect of a national strike is often not felt for weeks, if at all.

Another question is more important, miners say. Can Mr. Trumka use the bargaining process to retain the unity and stability of the union?

Defusing Dissent

Members say he has strengthened the union's organizing, straightened out its finances and reduced factionalism. At the union's convention last December, Mr. Trumka put through a number of changes designed to head off dissent and insure ratification of a contract: the right to call a selective strike; the creation of a strike fund that should reach \$40 million to \$50 million by Sept. 30, the strike deadline, and the abolition of the union's bargaining council, which means the elimination of a group of elected officials who had veto power over contract proposals. Now the contract negotiated with the operators will go directly to the rank and file, who will have two days to study it before voting.

The coal operators and the union have an interest in each other's health. For Mr. Brown, the chairman of Consolidation Coal Company, and other operators, a stable union can bring predictability to bargaining and labor relations.

The companies' association itself was established with the backing of Mr. Lewis, who believed that centralized negotiations with management would help the union. The coal operators' association has been hurt by de-companies, down from as many as 100.

Mr. Trumka has kept his bargaining position secret, saying only that there would be no concessions. The union bargaining resolution did not have the long list of demands typical of past United Mine Workers negotiations. Moreover, by keeping his pledge not to back down, it may be that Mr. Trumka could sell a contract that is not as rich as the miners might otherwise have demanded.

The lack of widespread complaints among the rank and file seems to reflect the respect that Mr. Trumka commands. "Before," Mr. Kendrick said, "the companies knew what we were going after before we even went after it."

Risky Trend in Business Borrowing

The Economy

Companies are piling on the floating-rate debt. If rates rise, that could backfire.

By ROBERT A. BENNETT

LAST January, the Westinghouse Electric Corporation issued a statement saying that its directors had approved the sale of \$200 million worth of long-term bonds. The proceeds, it said, would be used to pay off short-term debt. "Market conditions will dictate when Westinghouse will make the offer," the company explained.

Today, four months later, the right market conditions have not yet materialized. Westinghouse is still stuck with its short-term debt and is still waiting, along with hundreds of other corporations, for that golden day when long-term rates decline a point or so from the current level of nearly 13 percent on 10-year bonds with fixed rates. Altogether, American companies have registered more than \$50 billion in bonds that they intend to sell as soon as that rate "window" appears.

While they wait, they go on borrowing anyway — at record rates of growth. New debt has been rising at a 31 percent annual rate since the start of the year, more than triple the usual growth at this stage of a recovery, according to Abraham Gulkowicz, an economist at the Bankers Trust Company.

Nearly half these new loans are short-term, extended for up to a year at interest rates usually under 11 percent. Moreover, even the so-called long-term debt of American business is taking on the coloration of short-term borrowing. According to the Federal Reserve, 75 percent of all new debt being extended these days — in maturities greater than one year — is issued at floating rates. That means a loan's interest rate can rise and fall dozens of times before the loan itself expires.

And it means that business has a new vulnerability and potentially, a new problem: If interest rates continue to move up, as they have in recent weeks, financing costs could soar. And that eventually could provoke a wave of bankruptcies among companies unable to repay maturing loans — either because they would be

too shaky financially to obtain new financing or they could not afford the crushing cost of rising rates. At risk in this scenario is the financial health of many corporations that could find themselves in much the same predicament as homeowners who face higher installment payments because of variable rate mortgages.

"Right now, the rise in short-term debt is manageable," said Leo C. O'Neill, group vice president of Standard & Poor's, the bond-rating agency. "But if the economy hits the brakes, the risk is there." It was a similar risk brought on the near collapse of the Chrysler Corporation and the International Harvester Company in 1981, and the bankruptcy of AM International in 1982. All three companies were burdened with huge amounts of short-term debt during a period of steeply rising rates.

"A large proportion of short-term debt makes a company vulnerable to shocks, whether it's a sharp drop in sales or something happening in the Persian Gulf," said Jay N. Woodworth, a vice president at Bankers Trust.

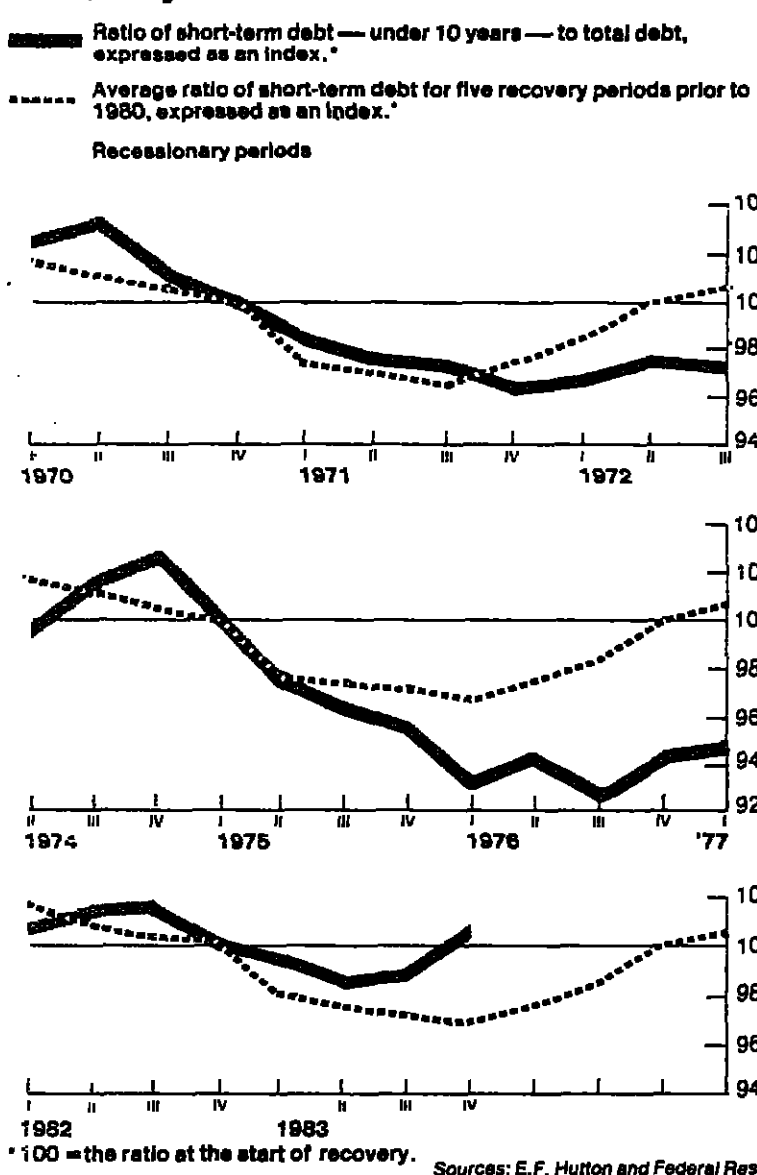
Nevertheless, many financial advisers are telling corporate treasurers to stay out of the long-term bond market. They argue that it would be unwise to lock in for years large amounts of long-term money at 13 percent interest rates. "If a company can wait a year, long-term interest rates should be 50 to 100 basis points lower," said Albert T. Sommers, senior vice president and chief economist at the Conference Board. A basis point is one-hundredth of a percentage point.

In essence, the Sommers school of thought holds that today's rates are far too high and therefore must fall. For example, "real" rates for bonds — the nominal rate minus the rate of inflation — are about 8.5 percent, far above the 3 percent to 4 percent range that has prevailed for most of the postwar years. Such levels are certain to take the steam out of the recovery, which is now 17 months old, Mr. Sommers says. And that slowdown, in turn, will lower interest rates, as it has done in the six other periods of economic recovery since World War II.

But this period is not like others — the past may not be prologue. It is the first sustained recovery since the October Revolution of 1979 when Paul A. Volcker, chairman of the Federal Reserve, took a radically new tack in the fight against inflation. For the first time, he allowed interest rates to fluctuate freely, even wildly, while the Fed concentrated instead on keeping money supply growth within bounds. That basic policy change, along with

Borrowing in a Recovery: A New Pattern Emerges

In earlier post-war recoveries, short-term borrowing has typically receded as companies lock in more long-term debt. But during the current recovery, as the tables below show, the pattern has changed and short-term borrowing continues strong.



the deregulation of the financial markets and the huge government deficits of the last two years have made this recovery a period of great uncertainty and rate volatility.

"We do not even know whether rates are high or not because never before have we been in an unregulated rate environment," said Curtis R. Welling, a vice president of the First Boston Corporation. He has been advising corporate clients to borrow long term now; that waiting for a dip in bond rates is as futile as

waiting for Godot.

Mr. Welling claims that because of structural changes in the economy — financial deregulation, the menace of inflation and the like — interest rates probably are not as high as they might seem from a pre-1979 perspective, and they could go higher. "Most decision-makers have not come to grips with that yet," he said. "They are waiting for rates to be where they used to be."

Salomon Brothers, too, has been advising its corporate clients to borrow long term now. "We've been telling everyone they have to participate in the markets," said Jason M. Elsas Jr., managing director. "Most corporations always feel that rates are going to come down, either they hear it from a bank, or from someone on their board, or from someone at the golf club."

Still, judging from a sampling of corporate treasurers and their advisers, business is opting for the view of Mr. Sommers — that long-term rates will drop, as the huge jump in short-term borrowing indicates. That's certainly the position of Michael J. Ganz, vice president and assistant treasurer of the ITT Corporation. ITT has been borrowing heavily in the short-term commercial paper market, where companies sell their i.o.u.'s to one another.

Mr. Ganz said that ITT would like to turn much of that commercial paper into longer-term loans, and, in fact, during the first quarter converted \$200 million of these borrowings to bonds with maturities of five years or more. But only about half of ITT's total borrowings today are in fixed-rate bonds while half are floating-rate debt. "Our target is to get to 35 percent floating and 65 percent fixed," he said. "We hope to do that in a year or two."

Indeed, ITT "would like to have a nice, fat domestic bond issue," Mr. Ganz said. "I'll take all I could get at 10 1/2 percent. Will we get there? I think so, maybe a year from now."

While ITT waits, some corporations — clearly a minority — have taken the plunge into the long-term markets. In some cases, they did so just as the recession was ending, when fixed bond rates were about 10.5 percent, the level ITT waits for today. James R. Wilson, senior vice president and chief financial officer of Fairchild Industries, said that until early 1982 the bulk of the company's debt was in short-term commercial paper. But "in the fall of 1982, we began aggressively locking in intermediate and long-term debt, and now we have virtually no floating-rate debt," Mr. Wilson said. For the next year, Fairchild's borrowing needs "are not great."

Whatever the viewpoint, the pressure on corporations to borrow is great. In part, that reflects the need to finance the jumbo takeovers and leveraged buyouts that have cost \$35 billion so far this year. "But more fundamentally, the buildup in credit demand flows from the booming economy," said Mr. Woodworth of Bankers Trust. Capital spending in plant and equipment is likely to rise by 18 percent this year, at a cost of \$350 billion, Mr. Woodworth said. Although most of that is being financed through profits, some will have to be borrowed.

In addition, businesses are trying to accumulate inventories, which require "vast amounts" of external funds. And strong retail sales have caused a buildup in accounts receivable that require short-term financing. Finally, American business is borrowing heavily to buy back common stock; about \$7.6 billion has been repurchased since Jan. 1, according to James M. Stewart, managing director of Morgan Stanley & Company.

To finance all this activity, American companies increased their short-term borrowing by \$29 billion in the first four months of 1984, and supplemented this with \$45 billion in longer-term debt involving maturities above one year, Mr. Stewart said. That compared with \$85 billion in such longer-term debt in all of 1983. While the \$29 billion was raised entirely in this country, mostly from banks, more than half of the \$45 billion came from abroad, largely from the Euro-bond market, according to Mr. Stewart's figures.

But all such figures are disputed. Indeed, the exact breakdowns of corporate borrowings are hard to arrive at. James J. McKeon, senior capital markets analyst at Salomon Brothers, for example, said that 83 percent of all corporate borrowing this year has been short term — with maturities of less than a year.

In addition, much of Mr. Stewart's \$45 billion in so-called longer-term debt was, in effect, short term because it was borrowed at floating rates. Although the principal on these notes or bonds might not be repaid for years, the floating rates place borrowers in the potentially precarious position of being exposed to unlimited rate increases. For the moment, floating rates are well below the nearly 13 percent cost of issuing bonds in America at fixed rates for a number of years.

Often when such bonds are sold, the money raised is used for other purposes than the traditional one of replacing short-term debt in order to strengthen balance sheets and protect earnings. Instead, some industrial companies are getting into the financing business, functioning more like

banks than manufacturers.

The Hewlett-Packard Company, for one, has set up a subsidiary just to finance the sales of its computers and instruments. Stephen J. Pavlovich, treasurer of the subsidiary, the Hewlett-Packard Finance Company, stressed that the purpose of the company's shelf registration earlier this year for a \$350 million bond issue was not for the parent company. "We pay from profits," he said of the parent.

The planned borrowings, Mr. Pavlovich added, "will be strictly to finance consumer purchases through leasing." He said I.B.M. "has been doing this for two years."

"It's very important in the computer business to be able to finance our customers," Mr. Pavlovich explained. "Outside lenders tend to be inflexible. The finance company was formed to be used as a marketing tool, but it's also a lucrative business to be in."

The pressure to borrow in a world of volatile interest rates has prompted some innovative corporate financing. "No one ever walks into my office and says, 'I just made a loan to finance a forklift,'" said a vice president of a major New York bank. "Today all they talk about are these fancy financings that I can't understand."

The chief credit officer for another leading New York bank said that a few years ago a company wanting to build a new boiler would send its treasurer to the bank. "Lend us \$50 million," he would say. But such a direct approach is unlikely today.

"I don't want that \$50 million on my books," the treasurer would say, according to the banker. "We'll set up a new company and that company will borrow the money, build and own the boiler and lease it to us on a long-term basis."

The company still would have a long-term obligation to make the lease payments, but it would not show up on its balance sheet because, technically at least, it would not be a loan. "The company likes it because it doesn't increase the ratio of debt on its balance sheet, allowing it to borrow still more, and the bank likes it because it can charge a higher rate," said the banker.

The scramble for financing at the lowest possible cost has given rise to a host of new brokers who help companies switch between fixed-rate and floating-rate obligations. They scour the globe for entities, usually foreign banks, that are in a position to swap fixed-rate loans for floating-rate issues, and for other debtors, mainly industrial corporations, that want to swap floating for fixed-rate debt. (See box.) Most of the major banks and securities firms are active in this business. Citicorp alone handled \$7 billion of dollars of such swaps last year, often as middleman.

For banks in general, floating-rate debt is less dangerous than it is for non-financial, corporate borrowers because the banks use the funds to make short-term loans. Thus, if interest costs on a bank's floating-rate debt were to rise, the bank could offset this new cost by raising the rates it charges on the loans made to the bank's customers.

The new world of corporate debt is beginning to blur the very definition of short- and long-term debt. It used to be that a long-term loan had to be repaid in 20 years or more at an interest rate that was fixed for the entire period. Now, many corporate treasurers describe five-year loans as long-term and even that often seems identical to short-term debt because of the floating interest rate.

SWAPPING FIXED AND FLOATING DEBT

The difficulty and expense of raising long-term, fixed-rate money has been driving many corporate borrowers into the arms of banks, which are themselves seeking new clients for so-called innovative financing techniques. Among the most popular of these fee-producing services is "interest-rate swaps."

When all works well, a corporation can get fixed-rate money at below-market interest rates by exchanging its floating-rate payment obligations with another borrower — usually a foreign financial company — that wants to switch its floating-rate payments from fixed-rate payments.

The corporation prefers fixed-rate debt because it then knows exactly what its interest costs will be, eliminating the risk that its financing costs might soar. A foreign bank or financial company might want a floating-rate obligation that would move in line with the interest rates it charges on its short-term loans.

Last January, for example, the Niagara Mohawk Power Corporation wanted to convert \$50 million of a floating-rate loan it had from its banks into a seven-year, fixed-rate loan with an interest rate of less than 13 percent. Interest on the floating-rate loan was set at one-

half a percentage point above Libor — the London Interbank Offered Rate. It is at that rate that banks in the London market trade deposits among themselves.

The company could have fixed its interest payments by issuing seven-year bonds in the United States, which would have cost about 13 1/2 percent at the time. Niagara Mohawk decided that it could lower that cost through a swap deal.

As a result, it asked for bids on a swap arrangement, and Citicorp won the bid by offering a fixed rate for seven years at a total cost of 12 1/2 percent. Thus, Niagara Mohawk saved about \$1.75 million in interest expenses.

Citicorp did not make the fixed-rate loan. It found a financial company in Asia that wanted floating-rate debt in place of fixed-rate that it held. Citicorp, in effect, arranged to have Niagara Mohawk pay the fixed-rate interest on behalf of the Asian financial company, and the Asian company agreed to pay the floating rate for Niagara Mohawk. Each side deals through Citicorp. No principal was exchanged, only interest payments.

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WEEK IN BUSINESS

Beatrice Strikes a Deal for Esmark

Esmark accepted a \$2.5 billion bid from Beatrice Foods after the bidding had been raised several times. Kohlberg, Kravis, Roberts, the leveraged buyout specialists, had started the bidding at \$5 a share. Beatrice, looking at Esmark's complementary food operations, bid \$36 a share. Rumors of a higher Kohlberg offer were stopped cold when Beatrice upped its own ante to the \$80 a share that was accepted by both companies on Thursday. Beatrice has a hefty line of bank credits to pay for the deal, but it is widely expected that it will quickly sell off Esmark's Avis or Playtex units to reduce the debt. To protect the deal, Beatrice has an option to purchase Esmark's Swift/Hunt-Wesson foods division.

Consumer prices rose in April. The five-tenths of 1 percent increase was moderate, but nonetheless worrisome. It was the biggest increase since January, and was taken by some as confirmation of their fears of renewed inflation. Others said it was a sign of a healthy, slowing economy with a low rate on inflation. The housing sector led the increases.

Durable goods orders fell 6.4 percent in the month, however — the biggest decline in four years. Although analysts cautioned that much of the decline was because of the volatile military category, it was enough to

reinforce the belief that the economy is slowing.

Continental Illinois National Bank appears to have weathered the worst crisis in recent banking history. By drawing on its \$5.5 billion bank credit, the largest bank in the Middle West said it had stabilized its flow of funds and ended a run by big depositors. Now an emboldened Continental says it is not so sure it needs or wants a merger partner, as Federal regulators have suggested. Some analysts saw the statement as an indication of Continental's determination to stay independent; others said it indicated that Continental is having trouble finding a merger partner.

But bank worries continued to trouble the markets. Bond prices suffered another setback Thursday, while short-term rates rose, mostly in response to unfounded rumors of funding troubles at Manufacturers Hanover. Worries about renewed fighting in the Persian Gulf and its effect on oil supplies also adversely affected the markets. Adding to the credit market turmoil were unclear signals on the actions of the Fed's Open Market Committee: Overnight Federal funds rates have been rising, leading some analysts to believe the Fed was tightening monetary policy, but others said the Fed was not likely to do so while the markets remained un-

steady. A \$1.1 billion increase in the basic money supply measure, M-1, had little effect on prices.

Bank issues led the stock market to its lowest level since February 1983, before a slight recovery on Friday. The Dow Jones industrial average, which has been sliding since the beginning of the year, ended the week at 1,107.10, down 26.69. Investors said it would take at least a reversal in rising interest rates to get the market back on a bull track.

Latin Debt Shuffle. Both sides are contributing to efforts to ease the added weight on third world debt caused by rising interest rates. Lenders are discussing such methods as caps on interest rates or longer repayment periods. The World Bank, for example, is planning a loan to Paraguay that provides for fixed semiannual installments, with any extra costs from higher interest rates added at the end of the loan, but without capitalizing the interest. The borrowers — aided by a new united front by Argentina, Brazil, Mexico and Colombia — seek even easier terms, possibly including a multiyear grace period followed by a longer repayment period, as well as fixed rates.

Philbro-Salomon, formed three years ago with the merger of the Philipp Brothers commodities trading

house and the Salomon Brothers investment banking firm, is talking about letting the two operations go their separate ways. Although the operations have been autonomous, their leaders have reportedly not been getting along. And with the dream of creating an international commodities and investment house fading, the top officers have asked Lazard Frères to study whether a breakup is the best course.

Saul Steinberg says Walt Disney Productions must reckon with him as an active force in management. The Marriott hotel chain is expected to join Mr. Steinberg, who already has about 12 percent of Disney, in trying to take control of the entertainment company. Disney considers Mr. Steinberg's moves hostile.

The Charter Company lost \$26.2 million in the first quarter, and said it expects to lose even more in this quarter. Operating under Chapter 11, Charter attributed the loss to its insurance operations, which it agreed to sell to a company controlled by the Belzbergs of Canada. The company's founder, Raymond K. Mason, resigned during the week, in what is described as an effort to restore confidence in the remaining oil and gas operations.

Merrill Perlman

The New York Stock Exchange

MOST ACTIVE STOCKS WEEK ENDED MAY 25, 1984				
Company	Sales	Last	Prev.	Net Chng
400 Indust	177.2	171.1	172.1	-4.86
20 Transp	129.9	124.5	126.3	-3.37
40 Util	64.8	63.6	63.7	-1.15
40 Financial	18.0	15.1	15.3	-0.77
500 Stocks	158.1	150.8	151.6	-4.18

Standard & Poor's				
Company	Sales	Last	Prev.	Net Chng
30 Indust	1139.1	1098.3	1107.1	-26.89
20 Transp	477.3	457.1	462.7	-11.83
15 Util	127.0	122.7	123.5	-3.76
65 Comb	442.9	426.1	430.2	-10.93

The American Stock Exchange				
Company	Sales	Last	Prev.	Net Chng
TIE	1,367,900	12	12	-1
DomeP	1,267,200	24 1/16	24 1/16	-3/16
WangS	998,100	25 1/2	25 1/2	0
SelsD	859,200	3 1/2	3 1/2	0
Delmed	674,700	7 1/2	7 1/2	0
AmidH	573,300	12 1/2	12 1/2	0
BAT	547,300	2-15/16	2-15/16	0
EchoS	521,800	9 1/4	9 1/4	0
DatsPd	516,700	17 1/2	17 1/2	0
EagCI	411,300	3 1/2	3 1/2	0

MARKET DIARY				
Advances	Declines	Total Issues	New Highs	New Lows
402	1,634	2,232	29	488
402	1,634	2,232	29	488

WEEK'S MARKET AVERAGES				
High	Low	Last	Prev.	Net Change
105.4	101.9	102.4	102.4	-2.85
79.8	75.7	77.5	77.5	-2.23
44.1	43.3	43.3	43.3	-0.88
84.3	80.2	80.6	80.6	-3.69
59.6	56.7	57.1	57.1	-2.44

New York Stock Exchange				
Company	Sales	Last	Prev.	Net Change
Total Sales	421,337,361	9,404,524,459		
Same Per. 1983	467,164,850	9,047,150,186		

MARKET DIARY				
Advances	Declines	Total Issues	New Highs	New Lows
162	627	820	7	152
162	627	820	7	152

WEEK'S MARKET AVERAGES				
High	Low	Last	Prev.	Net Change
105.4	101.9	102.4	102.4	-2.85
79.8	75.7	77.5	77.5	-2.23
44.1	43.3	43.3	43.3	-0.88
84.3	80.2	80.6	80.6	-3.69
59.6	56.7	57.1	57.1	-2.44

New York Stock Exchange				
Company	Sales	Last	Prev.	Net Change
Total Sales	27,067,415	627,881,155		
Same Per. 1983	56,835,245	943,485,334		

The New York Times

Founded in 1851

ADOLPH S. OCHS, Publisher 1896-1935
ARTHUR HAYS SULZBERGER, Publisher 1935-1961
ORVILLE DRYFOOS, Publisher 1961-1963

ARTHUR OCHS SULZBERGER, Publisher
A. M. ROSENTHAL, Executive Editor
SEYMOUR TOWSE, Managing Editor
ARTHUR GELB, Deputy Managing Editor
JAMES L. GREENFIELD, Assistant Managing Editor
LOUIS SILVERSTEIN, Assistant Managing Editor
MAX FRANKEL, Editorial Page Editor
JACK ROSENTHAL, Deputy Editorial Page Editor
CHARLOTTE CURTIS, Associate Editor
TOM WICKER, Associate Editor
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LANCE R. PRIMIS, Sr. V.P., Advertising
J. A. RIGGS JR., Sr. V.P., Operations
HOWARD BISHOP, V.P., Employee Relations
RUSSELL T. LEWIS, V.P., Circulation
JOHN M. O'BRIEN, V.P., Controller
ELISE J. ROSS, V.P., Systems

The Campaign, in Moscow

While saying woefully little to each other, the leaders in Moscow sound angry and the leaders in Washington sound smug. There's not much justification for either mood and either could become dangerous if sustained. But there's a compelling reason to put up with the emotions of the moment: There's an election at hand, in each capital.

In the Kremlin, self-preservation, the highest political objective anywhere, now argues for circling the wagons. The top man is old and ill, like the one before and the one before that. That means every debate is magnified by intense rivalries. Major decisions are impossible in such a climate and in foreign affairs are best avoided. For an oligarchy that's been leaderless for at least five years, rage at a hostile world is an easy refuge.

At the White House, meanwhile, politics prescribes the opposite. Everything's going fine thanks to new military strength. "The world may be a little safer than it has been," the President avers. He knows no one more determined in seeking peace than he, but it's also gratifying that "they haven't taken another inch of territory since we've been here." Knowing they can't win an arms race makes the Russians "a little unhappy." But when they see they've got to deal with Ronald Reagan for another term, they'll negotiate.

Equivocate would be more like it. The net effect is that a fifth year will pass without a serious effort at arms control and without any sustained communication between the superpowers. This does not mean they're in danger of imminent confrontation. In the most obvious danger zone, the Middle East, their conduct toward each other has been remarkably prudent.

Censorship Is No One's Civil Right

When the Indianapolis Council met last month to consider forbidding pornography as a violation of women's rights, the Moral Majority bused spectators to the meeting. The moralists joined with feminists in a novel collaboration against smut, and the council overwhelmingly voted its agreement.

Moralists want to save souls. Feminists want to protect women from the pornographer's debasement. The council wants to defend the community against what the law calls "all discriminatory practices of sexual subordination or inequality through pornography." Many Americans of no special ideology are moved to applaud, understandably moved by disgust with filthy and degrading books, magazines and films. Still, they are wrong to endorse this end run around the First Amendment.

For excellent reasons, the nation's publishers and booksellers are suing to have the Indianapolis ordinance declared unconstitutional. They contend that the free expression of all requires protecting even offensive expression and letting consumers decide what is fit to read or watch. Even where the community might overwhelmingly agree on the material to be censored, it would have to surrender the power of censorship to agents of the state in ways the Constitution wisely forbids.

The Indianapolis law, like a similar one vetoed in Minneapolis by Mayor Donald Fraser, pretends that this censorship is an enforcement of civil rights. That's a semantic evasion.

The law would let any woman who feels offended by the portrayal of women complain in court

or in the city's Office of Equal Opportunity. Those authorities would operate without any further guidelines or duty to heed Supreme Court rules for judging what is legally obscene or indecent. They could close a bookstore or assess fines for what amounts to a new offense: purveying sexually explicit words or pictures that demean women. In a radical departure from current obscenity rules, the complainant would not even have to prove that the seller knew the material offended the law.

Loosely read, the law might be used against Shakespeare's "The Taming of the Shrew" or anything that depicts extreme male dominance. Even private consumption of such material would be forbidden. The law states that "the formation of private clubs or associations for purposes of trafficking in pornography is illegal and shall be considered a conspiracy to violate the civil rights of women."

Women Against Pornography and other groups argue eloquently that most smut depends on degradation. And not only of women. Men, too, are debased when they're depicted as savages bent on demeaning women. The offense is real and rage against it is justified. But the American way to combat one kind of speech is with other speech, and through legal economic pressure.

The state already has power to protect children from smut and from exploitation in its production. Cities can zone smut out of neighborhoods and into areas frequented only by its voluntary consumers. But freedom requires that the state be denied the power to impose on adults as if they were children. Even admirable morality and ideology must not become legislated orthodoxy.

from Southeast Asia and every entrant at the Mexican border. Use sensitive Awaacs planes to sniff out the contraband and F-16's to force down or shoot down private planes suspected of drug-running.

Underneath the melodrama, the Mayor has a point. A city can't act alone to stop the drug plague. But his exaggeration obliterates the point. If he likes the idea of Federal troops conducting strip-searches at the border, why not also ask the New York police to conduct strip-searches at tunnels and toll booths? Because, as a politician we know likes to say, that would be ri-di-cu-lous.

Letter of the Law
When Elizabeth Anderson Hishon, an honors graduate of Columbia Law School, failed to become the first female partner at the prestigious Atlanta firm of King & Spalding, she felt it was a matter of sex discrimination. Two Federal courts insisted that the Civil Rights Act did not apply to partnerships like law firms. But last week, the nation's most important lawyers disagreed. The Supreme Court unanimously held that junior lawyers, called associates, are employees whose promotion must be handled on a fair and equal basis.

Mrs. Hishon is already a partner elsewhere and has yet to prove actual

King of Waters

Mayor A. Starke Taylor Jr. of Dallas has challenged several cities, including New York, to a water-tasting contest. Mayor Koch has accepted, but that's like Doc Holliday agreeing to a shootout with the town drunk.

Mayor Taylor should know that New York's water has already been rated one of the best tasting in the world. Consumer Reports compared it with popular bottled waters in 1980 and found it "everything an excellent water should be. . . . Why pay 5 cents a glass for Great Bear or 27 cents a glass for Evian when you can get excellent water right from the tap?"

Still, the magazine was unimpressed when it came to explaining water quality. "The main attribute of a good-tasting water is the absence of bad taste," it said. We can do better than that after a trip to the fountain down the hall. New York's water is dry and flinty, with a delicate but earthy bouquet and a full-bodied hint of an Adirondack forest and a Catskill meadow. Dallas, indeed.

Letters

To Be a Failure at Age 5: An American Tragedy?

To the Editor:

Failing kindergarten, to those of us who remember the joys of "Farmer in the Dell" when we were 5, seems an impossible feat. Lopsided mud pies? Runny finger paintings? Off-key nursery rhymes? Yet the report out of Minneapolis (May 13) that more than 11 percent of its kindergarteners failed the unfaillable has made national news, and no one seems to know whether to laugh or to cry.

Although imaginations fill with visions of recalcitrant tots spilling juice and jabbering during nap-time, there is nervousness as well. Are Japanese and Russian kiddies having similar difficulties with the kindergarten curriculum, or are they using their blocks to build Toyotas and missiles while our children are hitting each other over the head with them?

An alternative to lamenting the fate of America based on the performance of 5-year-olds is to lament the fate of 5-year-olds who fail. Failure at any age spells defeat, and even pre-

schoolers who do not know their ABC's know the cold, hard truth about an "F."

Forcing children to repeat kindergarten or to go to summer school for botching their numbers, or bopping their pals, or flunking competency tests seems an overreaction to education's swinging pendulum back to basics.

Stressing reading, writing, computing, critical thinking and creativity is one thing, but to do so at an age when maturation rates fluctuate wildly and have little to do with future achievement is a risky proposition at best.

As a teacher of learning-disabled teenagers who have known nothing but failure from their earliest days in school, in spite of their average and above-average scores on standardized intelligence tests, I see the side effects of repeating grades and going to summer school. The students hold themselves in such low regard with respect to prevailing academic and social values that it practically takes a crow-

bar to pry them away from their television sets, out of their homes, off the streets and into the classroom. They think they are dumb, and school holds about as much appeal for them as Heartbreak Hotel.

Scrutinizing education with an eye toward improving the quality of the schools, and the graduates of the schools, does not mean increasing the percentage of students who fail, or lowering the age at which children are permitted to fail. Pressuring 5-year-olds to slip into age-appropriate slots, with no regard for differences, is not the way to brighten the country's future.

Changing tides and new waves are not meant to drown children. I hope Minneapolis reconsiders and promotes its kindergarteners to first grade, where they may well grow into themselves and make the grade. There is plenty of time for competition, for judgment, for failure — later.

ELLEN KARSH
New York, May 15, 1984

When You Could See the Universe Move

To the Editor:

When Halley's Comet returns, says William Safire in his May 18 column, "many will bring young children . . . to set a milestone to their lives" and "most of the kids can expect to live to see the comet return; in their old age, they will have another milestone to stick around for."

The last such milestone our family has had was the total eclipse of the sun, visible on the farthest Eastern Seaboard when our youngest, who graduates from college this year, was about 3.

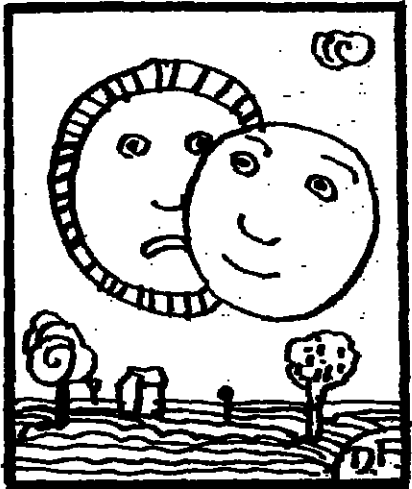
Nantucket was the place to be, so the five of us flew to that island the morning of the eclipse (the airline put on extra flights). It was cold and windy as we played ball in our winter parkas. People were setting up telescopes and mirrors, but we just had some double layers of exposed film through which to look straight at the sun in eclipse.

As the time neared, the animals on the beach — dogs and shore birds — began to skitter and circle nervously. Through the darkened film, the moon began to take bites out of the circle of the sun. All around the horizon there was sunset; and close to the sun, where the sky was darkest, stars began to come out.

Totality lasted more than a full minute. All around there was a strange half-dark, lighter at the edges, and fire flickered into space from the blacked-out sun. Then a tiny, bright

rim of the sun reappeared. At that moment you could see the universe move.

I said to our children, "The next time you see this you will be grandparents; and you will say to your



grandchildren, "The last time there was a full eclipse of the sun, I was the age you are now; our parents took us to Nantucket Island to see it."

We could feel time move.
So I join Mr. Safire's advice: It's not too soon to reserve that "spot far from earthbound lights" of which he speaks, and plan to take your family to see Halley's Comet on a clear night late in March of 1986.

HENRY WENKART
New York, May 18, 1984

If Long-Term U.S. Bonds Had Gold Backing

To the Editor:

As interest rates increase, it will become more difficult and more costly for the Government to sell long-term bonds.

It is most important that the Government have a balanced portfolio of short-, intermediate- and long-term debt instruments for the most efficient management of its debt. Interest costs will probably escalate dramatically for long-term Government bonds; the Government can reduce its borrowing costs substantially by backing bonds with maturities over 30 years with gold.

At the maturity of the bond, the

bondholder would have the option of accepting face value in dollars or the gold equivalent of dollars, set at the time the bond was originally issued. The prospective bond buyer would accept a much lower rate of interest if the bond were backed with the option of receiving gold at the bond's maturity. The Government would earn mark specific amounts of gold to back each issue of this nature.

In this manner, our vast gold reserves would in effect be earning money for the Government by reducing substantially its borrowing costs.

LEONARD S. HIRSCH
New York, May 18, 1984

How Spirited the Birth Of the Mint Julep?

To the Editor:

While the recipe for mint julep given by Joseph Mathewson in his May 20 letter doubtless makes a tasty drink, its call for bourbon makes me wonder how original it is.

According to Eugene Walter ("American Cooking: Southern Style," 1971), "the identity of the first manufacturer of bourbon has long been disputed, but nowadays credit for this blessed event is generally given to a Baptist minister named Elijah Craig, and 1789 is set as the date of his inspiration."

In "Colonial Recipes from Old Virginia and Maryland Manors" (1907), Maude A. Browner gives the following recipe from Weldon, a Maryland estate dating to 1788:

"Gather the mint when the dew is on it, sprinkle it with pulverized sugar and a few drops of brandy and water, and bruise it gently till the mint oil begins to come. In bruising the mint use a glass mortar and a wooden pestle. A pestle made of beechwood is best (but be sure to use a wooden pestle). Put the bruised mint in a glass and pour over it a cup of boiling water."

"Let this set for 15 minutes. Then strain the mint and pour the juice in a silver tankard that has been filled with crushed ice."

"Let this stand for a few minutes, and then pour into it your French brandy [emphasis added] that has been kept at a temperature of about 40 degrees Fahr., and garnish the silver tankard with sprigs of mint."

"Do not use a straw when drinking it, but drink from the tankard."

Which came first, the mint julep or the bourbon?

BARBARA KATHERINE JONES
New York, May 21, 1984

The Times welcomes letters from readers. Letters for publication must include the writer's name, address and telephone number. Because of the large volume of mail received, we regret that we are unable to acknowledge or return unpublished letters.

A Neutral Costa Rica Vital to Regional Peace

To the Editor:

Ever since Costa Rica abolished its army 36 years ago, the country has been a model democracy, immune to the violence and political instability which has characterized other Central American nations. Its governments have not been threatened by greedy and power-hungry generals, while its neighbors have not had to worry about being provoked militarily.

In short, Costa Rica has followed the Japanese model. Now, however, Costa Rica, like Japan, is being nudged by the United States into arming itself. This new policy, in response to recent clashes between Nicaraguan soldiers and Costa Rican border patrols, is dangerous. It will fuel yet another arms buildup in Central America and bring us all one step closer to war in the region.

The answer is not to arm Costa Rica; the answer is to maintain the country's neutrality.

Costa Rica can do this by taking a tougher stand toward the anti-Sandinista "revolutionaries" fighting from within its territory. So long as Eden Pastora and his Revolutionary Democratic Alliance are allowed refuge in Costa Rica, there can be no peace between Costa Rica and Nicaragua. This is the issue at hand — not whether or not to extend military aid to Costa Rica.

MARCO A. CACERES JR.
Arlington, Va., May 21, 1984

Unexperienced Rates

To the Editor:

Many years ago, in a report on refugees, I wrote as New York Governor Mario Cuomo did in his May 19 letter on life imprisonment without parole, of "a fate worse than death."

My perspicacious and revered editor at the time, Dr. Cyrus Adler, chancellor of the Jewish Theological Seminary, properly deflated my pretensions. In a marginal comment on the phrase he asked: "How do you know?"

I didn't. Does the Governor?
NATHAN C. BELTH
New York, May 22, 1984

'Nonsense' About a Jefferson Slave Mistress

To the Editor:

In his review of Nancy Caldwell Sorel's "Ever Since Eve" [May 9], Anatole Broyard quotes Miss Sorel as saying that Thomas Jefferson was one of those who "behaved badly" toward his "illegitimate children," and that his case was complicated by the "fact" that the mother of the children was "a black slave."

Here again we encounter a reference to the oft-repeated canard that Jefferson had a slave mistress. This allegation is not credited by the three greatest authorities on Jefferson: Dumas Malone, Merrill Peterson and the late Julian Boyd. Such eminent historians as David Herbert Donald and John C. Miller also do not believe it. Yet, thanks to a book by Fawn Brodie which appeared 10 years ago and which offered no real evidence whatever, we are being repeatedly told that Jefferson and Sally Hemings, a Monticello slave, had a relationship of several decades which resulted in five children.

No one is claiming that Jefferson was a plaster saint without faults. His leading biographers are frank to say that he had them. But they repudiate this nonsense concerning Sally Hemings as totally unproven.

The charges were first broadcast in 1802 by a notorious liar named James T. Callender, who was furious with Jefferson for refusing to appoint him postmaster of Richmond. He published the charges — giving no evi-

dence, as he had none — in the Federalist (anti-Jefferson) sheet of which he was an editor, and the Federalist press throughout the country gleefully spread the word. Nothing else of a remotely tangible character in support of these allegations emerged until 1873, when Madison Hemings, son of Sally, told the editor of a weekly newspaper in Ohio that the master of Monticello was his father. Again, no evidence whatever was given.

In her biography, Mrs. Brodie subjected the foregoing and many of Jefferson's writings to something called "psycho-history" and reached the conclusion that the charges were all true. Her book is a tissue of surmises, interpretations and guesses. Yet she makes confident assertions throughout as to Jefferson's paternity of the children in question. It is altogether probable that one of Jefferson's nephews, Sam or Peter Carr, was the father of the young, light-skinned slaves at Monticello.

In my book "The Jefferson Scandals: A Rebuttal" (Dodd, Mead, 1981) I went into these matters in detail. The book was reviewed in dozens of newspapers and magazines from coast to coast, and not one reviewer said, after reading it, that Mrs. Brodie had proved her case. The vast majority said she had not done so. Two or three reviewers said they could not decide one way or the other.

VIRGINIUS DABNEY
Richmond, May 12, 1984



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Topics

Role Playing

\$1,520,000,000,000

Members of Congress always have to set priorities, but last week they faced an inhuman choice: Would they prolong their feigned horror over raising the national debt ceiling or would they take their 10-day campaign-year break on schedule? They courageously chose electioneering and raised the debt ceiling by \$30 billion, to \$1.52 trillion.

But that \$30 billion won't last 30 days. By June 22, the Treasury's borrowings to finance budget deficits will again bump the ceiling. And guess what? Congress will raise it again. There's an obvious, silly plot here: Raise the ceiling to let the Government borrow whatever it must, but keep the lid tight so it must come back for more, maximizing its embarrassment before Election Day.

It's Congress that should be embarrassed. The debt has risen by more than half, or \$533 billion, since Mr. Reagan took office. The reasons include tax cuts and spending increases he proposed and Congress approved. The debt limit is no limit at all.

Borderline Mayor

New York's Mayor Koch wants more Federal help in the battle against drugs. His plan: have soldiers strip-search every air passenger

What's in A Second Term?

By Flora Lewis

WASHINGTON, May 25 — There have been important changes in the list of things President Reagan set out to do at the start of his term and what he says he now seeks.

In part, he had to trim because Congress grew more resistant and skeptical after the first, flushed year. In part, the contradictions inherent in his plans proved inescapable and he had to choose.

He couldn't cut taxes, add massively to defense spending and balance the budget. He chose a huge deficit. Allied officials now consider him the world's leading practitioner of the Keynesian inflation theories that Mr. Reagan always used to denounce.

And in part, the Presidential advisers veered him toward more moderate positions on unpopular policies as the time for re-election approached. But what would be the constraints against provocative, risky decisions in a second term?

Short of an unlikely, massive shift by the voters in November, the limits imposed by Congress will remain. But the current strains between the executive and legislative branches would probably increase with a White House determined to get its way and a Congress fearful of being pushed into reckless adventures.

There are no signs that the White House shifts between 1981 and 1984 reflect a mellowing leadership, wiser and more prudent as a result of experience. Rather the evidence is that an acutely politically conscious team knows that an election year is a time to be reassuring.

Political constraints in a second term would depend on how deeply, determinedly Republican Mr. Reagan considers himself. Would it be more important to him to leave a record that would help another Republican candidate succeed him? Or would he care more about using his last term to commit the country to programs and policies he favored in the first place, but had to compromise for his own electoral reasons?

The changes he has made among the people around him do not show a

Election-year veneer

growing sense of affinity with mainstream, moderate Republicans, or a growing sense of need for competence and knowledge on his team. It is indicative that friendly governments are distressed at the departure of Lawrence Eagleburger as Undersecretary of State.

They complain there is no longer anyone at the level of authority sufficiently well informed to discuss mutual problems effectively with them. The same is true on issues of finance and defense.

Nor do policy changes suggest an underlying change of heart and an accretion of wisdom.

The marines were pulled out of Lebanon in response to public outcry. Donald Rumsfeld, Mr. Reagan's third special Middle East negotiator, was allowed to resign quietly, without a replacement. But there has been no hint of new understanding that Middle East policy is an overall fiasco and needs review. The same old fanfares reverberate.

In Central America, the 1981 threat to "save" El Salvador by going to the "source" of its civil war — read "a blockade against Cuba" — was not implemented. Nor have U.S. forces been sent into active combat. But Robert McFarlane, Mr. Reagan's third national security adviser, said recently on television that a way has to be found to use U.S. military power short of a declared war.

A trial balloon was floated on trying to get the Supreme Court to pronounce the inhibiting War Powers Act unconstitutional. It became clear that wouldn't work. So the idea was dropped. The White House conclusion, according to Mr. McFarlane's words and the acts of C.I.A. director William Casey, is now to find a way to circumvent the War Powers Act, which was put on the books precisely to prevent an undeclared Presidential war.

Above all, the President now says that he wants to negotiate with the Russians, not to increase tension and come to confrontation. His change of tone has eased fears that were producing anti-Americanism in Western Europe and unpopularity in the U.S., but the change came too late to persuade Moscow that he is willing to talk for more than propaganda purposes.

Mr. Reagan continues to refuse even considering negotiations on the one issue that the Kremlin still says it wants very much to talk about: preventing a vast new escalation of the arms race into space. He is pressing to complete tests of an antisatellite weapon and to surge on toward Star Wars. In another four years, these projects will take on a life of their own, with a huge military-industrial constituency and a budget well up in the double-digit billions, if current plans go unopposed.

Does President Reagan want a second term to improve his record or to put his ideological convictions into practice? It's a question to put as the campaign develops.

سكنا في الجبل



Mark Podwal

The following remarks, excerpted, were delivered upon the author's receiving the gold medal for history of the American Academy and Institute of Arts and Letters, in New York City on May 16.

To receive a gold medal of this Academy would be a moving experience for anyone even in the most normal circumstances. But there are reasons why this particular medal has special significance for me, and I would like to mention one or two of them.

I have, for my sins, written a respectable amount of history. I have also, especially in recent years, spoken and written a good deal on contemporary affairs; and it is these contributions to the public discussion of nuclear weaponry and Soviet-American relations that have received by far the most public attention, and at times approval.

Now Anton Chekhov, who was a doctor as well as a writer, once said that medicine was his wife, whereas literature was his mistress. Well, for me history has been my professional wife; whereas disagreeing publicly with my own Government about foreign policy has been my professional mistress. And I must say that I am pleased and touched to be recognized, for once, for the modest degree of marital fidelity I have been able to muster towards this professional wife — towards this field of study, in other words, which has after all

Putting History At Risk

By George F. Kennan

been my true professional dedication for some 35 years.

But beyond that, there is something less personal and far more important that is implied by this gesture on the part of the Academy. We live today, as I think all of us recognize, in a seriously endangered world — a world endangered in the first instance by nuclear weaponry; but also by the reckless way in which we are wasting and exhausting the finite, unreplaceable natural resources on which the continuation of civilized life is dependent. And not everyone realizes that it is not just our own generation, and not just our children's generation, that we are placing at risk by these apocalyptic possibilities, but history itself as well. The very concept of history implies the scholar and the reader. Without a generation of

civilized people to study history, to preserve its records, to absorb its lessons and relate them to its own problems, history, too, would lose its meaning. And whoever places at risk the existence of that scholar and that reader jeopardizes not just the present of our civilization but its past as well.

For this reason, not only the studying and writing of history but also the honoring of it both represent affirmations of a certain defiant faith — a desperate, unreasoning faith, if you will — but faith nevertheless in the endurance of this threatened world — faith in the total essentiality of historical continuity. These efforts are the expressions of a determination not to permit this marvelous civilization of ours, without which nothing that we value, including this Academy and all it stands for, could have existed or could have any meaning at all — not to permit all this to be put to an end by the various grotesque forms of civilizational suicide that our behavior, and that of our governments, is now inviting. Only people who had forgotten their historical roots could have created, or could be tolerating and ignoring, these tremendous risks — risks not just to themselves but, what is more important, to all that they are a part of.

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George F. Kennan is professor emeritus at the Institute for Advanced Studies, Princeton, N.J., and author, most recently, of "Nuclear Delusions."

Again, the Night Of Ignorant Armies

By Anthony Chapin

STONINGTON, Conn. — Three score and 10 years ago, the First World War shattered a self-confident civilization at the summit of its achievement. Now we are looking at a world again divided in half, and under the guise of arming to preserve peace, preparing for another incomprehensible catastrophe.

In front of us, we find the same calculations, the same misperceptions, the fears and reactions that finally on the morning of Aug. 14, 1914, sent German troops flooding across a neutral border on a pre-emptive strike against France, precipitating devastation that no one imagined possible.

What are the similarities between now and then? There were two blocks of alliances, each with its clientele of smaller states, each sponsoring movements of liberation or suppression, each fearful of seeing the other side gain a new foothold anywhere in the world. Power seemed to breed wild miscalculation.

The sea in 1914 was what the sea and space together are for us. To control whatever moved on it from one country to another was to control the life of nations. There was no limit to the technology lavished on navies.

Germany, the "encircled" land power, built its navy on the theory that it would force England, the world's "policeman," to share its place in the sun. This supposed "har-

gaining chip" spurred the British to develop a superweapon, the battleship Dreadnought, which in turn forced the Germans to build better battle cruisers of their own. Technology gave birth to military-industrial complexes, and foreign policy became increasingly hostage to domestic interests.

The British naval chief, Adm. John Fisher, talked of "Copenhagening" the German fleet in its berths before it could challenge the British — a simple first-strike idea. Adm. Alfred von Tirpitz declared a "danger zone of inferiority" — "window of vulnerability." If you prefer — which the intensified German naval building program would close. The British Admiralty, meanwhile, knowingly overstated its estimate of German forces to Parliament in order to justify further appropriations.

This process of escalation applied ominously to the growing weight of land armies. In response to the Germans' declared "world policy," the British conceived the counterpolicy of "containment" and began planning a

call ours a Rapid Deployment Force.

Some thought that the Great Powers' new combined military destructiveness would act as a deterrent to any one nation's unleashing it. "I hope that peace may be maintained," said Edward VII during the Balkan crisis of 1908-09, "but only because Europe is afraid to go to war."

The use of military bluff for political gain, the ratcheting up of appropriations for arms and men, the search for new collaborators who might skew the unstable balance of power in one's favor — all measures taken by responsible civil governments — heightened opponents' fear of each other and deepened indulgence for the ambitions of allies. The "we-they" mentality took over. "Our" actions were justified by national interests; "theirs" were not. Pressure built to the point where any compromise was construed as a battle lost. There was no room left for diplomatic maneuver.

Those who made the decisions could not have foreseen what together they were doing. Their fascination

with the dramatic linkage of move and countermove obscured the process itself. It was the dynamics of this process, its continual self-propagation, that caused the war. We are caught on the same deadly treadmill.

This psychological mechanism of escalation must be recognized and examined. In an atmosphere of crisis, a sense of caution, an instinctive flight to security, drove even reasonable people to fall back on the one sure material guarantee they knew: force.

Somewhere in the sequence of steps that each government took to guarantee its national security — steps that seemed thoroughly justified at the time — they crossed a watershed. The slope steepened, the pace quickened and then it was too late. Procedure took over. Their obsession with security guaranteed disaster. They had no policy for the purpose of reducing the causes of war.

An exceptional leader, sure of his own judgment, in control of his subordinates and commanding the ability to respond if fired upon, could have said: "No. The danger that our opponents will attack first is a lesser danger than the danger of war itself. I will accept the calculated risk of a military disadvantage and will not take the next step toward war." There was no such leader.

Clearly, at some point in the preparation for war, the process becomes irrevocable. No one can tell when. We only know that continual escalation will end in catastrophe unless that process is reversed.

Will Reagan Debate?

By James Reston

WASHINGTON, May 26 — Maybe you're still interested in the hankypanky of the Carter-Reagan debates of 1980, now back in the news, but the more interesting question is whether President Reagan will debate his Democratic opponent in 1984.

There's no guarantee that he will. He says he's for debates in principle but he's making no promises. Most Presidents don't welcome these debates, which put their challengers on an equal footing in a verbal prize-fight ring before a national television audience. And Ronald Reagan is no exception.

He prefers controlled situations with a carefully constructed text in his hand. Against the imposing background of the Oval Office, he reads a speech better than any President since Roosevelt, and with two or three invisible screens carrying the text, he doesn't even seem to be reading it.

Even with the new press setting in the East Room, with the red carpet at his back running into the main lobby of the White House, he is not happy with these question-and-answer games with the reporters and avoids them as much as possible. But even in these televised news conferences, he can always turn difficult questions aside and choose the next questioner.

Not so in Presidential debates. In these one-on-one confrontations, he is not in charge. He cannot filibuster or evade. And if he or his opponent do so, they risk the judgment of the people.

Accordingly, the planners of his campaign strategy are wondering how to deal with this debating question. They are political professionals and superb stage managers. They know how to get him on television at the Great Wall of China, and meeting the Pope in Alaska on his way home.

What worries them is what he might say or not know what to say when confronted by the brutal facts of foreign and domestic policy in Presidential debates next October. You

No Teleprompter, no road map

have to know Mr. Reagan well — his shallow knowledge of history and even geography, his vulnerability to the most obvious questions of fact — to understand the dangers of turning him loose without a Teleprompter and a road map.

The element of accident in these verbal wrestling matches can be dangerous. President Eisenhower advised Richard Nixon not to debate John Kennedy in the 1960 election. But Nixon went ahead anyway, gave Kennedy's handsome Irish mug and gift of gab a national audience and lost the election by a whisker, maybe because he lost the debates.

In 1972, Mr. Nixon was so far ahead in the polls that he refused to debate George McGovern. In 1976, President Ford, running behind in the polls, agreed to debate Jimmy Carter, and in the confusion made one of those fatal blunders by saying "there's no Soviet domination of Eastern Europe." For this he was mocked and never got over it.

So Mr. Reagan's campaign advisers would like to avoid debates that fall but don't know how they can. Some are telling the President to go ahead and debate, even to offer to do so. Their argument is that President Carter agreed to debate him, and it would be awkward to refuse an invitation.

Also, since the Democrats are now charging that somebody gave Mr. Reagan Jimmy Carter's debating papers in 1980, it would be another reason not to avoid a debate. Also, Mr. Reagan is already in enough trouble with women voters without refusing the insistent demands of the League of Women Voters that the debates should go on.

Yet there are others in his camp, who, balancing Mr. Reagan's personality against his amiable indifference to the facts, think a debate is too risky, and that he should campaign from the White House and say he's too busy handling the economy and the Russians to bother with the Democrats.

There is, however, an argument in the national interest for Presidential debates. It's not clear that a good debater makes a good President. But it's probably the best way the people can see and hear the candidates discuss together their vision of the future and the issues that divide them.

Otherwise, the Presidential campaign will be left, as it has been so far, to a separate and vicious clash of personal and partisan slogans, organized by advertising agencies and paid for by special interests on both sides, that concentrates on the past and appeals to fear.

It will break our hearts if we can't do better than this in the present confused and dangerous state of the world. At least the debates might give the people a chance to see and hear the candidates discuss together the problems for decision, and get some idea of who has a vision of the future, which is what elections are supposed to consider rather than the staggering and blundering of both parties in the race.

Hungary

By SETH MYDANS

Forty years after they were carted off toward Auschwitz in their own horse-drawn wagons, a dozen survivors, back in their East Hungarian village, were in the carts again, waiting for an order to set off across the same muddy fields.

Standing in the light rain around their little wagon train were two Hungarian film directors, Imre Gyongyossy and Barna Kabay, and their co-writer Katalin Petenyi, who is also Mr. Gyongyossy's wife.

It was one of the last scenes in their film "The Revolt of Job," a gently told story of one Jewish couple's attempt to defeat their family's extinction in the Holocaust by adopting a non-Jewish boy, a child who would survive to carry on their line.

The movie, which won a nomination this year for an Academy Award, as best foreign-language film, reflects what Mr. Gyongyossy said he believes is perhaps the most important line in the Bible: "You shall teach it to your children."

He said that although the filmmakers are not themselves Jewish, they attempted to portray with historical fidelity the life of a small Hungarian village where, they said, Jews and non-Jews lived in remarkable harmony despite their prejudices.

The Holocaust arrived late in Hungary, in 1944, after sweeping through most of the rest of Eastern Europe. But when it came it was devastating, and of the 825,000 persons registered as Jews in 1941, the filmmakers said, 565,000 died, with the collaboration of many Hungarians.

For the participants in the film, some of whom had lived in the village before the war, the recreation of their earlier lives became an intense experience. After more than a month of filming, the directors said, the accumulated tension and exhaustion, the actors' dedication and even the weather combined to blur the distinction between reality and reenactment as the villagers sat waiting in their wagons.

"It was raining, they were tired, the shooting was always slow, confused, with the horses, the dogs," said Mr. Gyongyossy. "But the old people were so cautious, so concerned that everything will be correct, and they decided together that they must repeat the scene once more, and make a message."

"They were sitting there in the carts," said Mr. Kabay. "It became for them again the real situation."

"Our daughter was on a cart,



dressed like one of their children, and she was tired," said Miss Petenyi, "and she said, 'Where are we going?'"

"And I was a cruel father and a harsh director," said Mr. Gyongyossy, "and I snapped at her, 'To Auschwitz, and she began to cry, and I shouted, 'Shoot.'"

The three Hungarian filmmakers and the Gyongyossys' 13-year-old daughter, Reka, were in New York

City last week. Today people are more individual and live quite alone. We try to make this bridge between them and talk about the very basic subjects of folk art, about life and death, men and nature."

In Hungary itself, where the constraints on artists are perhaps the least severe of all the East Bloc nations, the filmmakers said, there are nevertheless a number of political hurdles to cross in the making of a movie, and there is always the possibility that once finished, a controversial film will receive only a limited showing at home.

The story they told of the making of "The Revolt of Job" is a case in point. Dealing with the sensitive subjects of anti-Semitism and fascism, they said, their project was controversial from the start. The filmmakers said they had never worked in the state-approved genre of socialist realism and that their themes often stepped into controversial areas, drawing official criticism that they do not reflect "Hungarian reality."

Although the filmmakers have

film — aside from a few disturbing scenes — shows the warm relations between village Jews and non-Jews until their world is shattered by the coming of the Nazis.

Once the film was completed, Mr. Kabay said, it opened in only a few theaters with little advertising, drawing as few as a half dozen people to each showing. Overseas distribution, with the possibility of garnering highly prized foreign awards, was at first opposed.

"Our hope is that after this Oscar nomination, it will be possible to have more success at home and to show it in more cinemas in Hungary," he said.

Throughout his career, Mr. Gyongyossy said, he has been waiting to make the story of the Christian boy whose adoptive Jewish parents disappeared in the Holocaust.

During the dislocations of wartime Hungary, Mr. Gyongyossy was left as a small boy by his parents with an old Jewish couple, Emmanuel Kohn and

SALEM POST

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his wife. "There came a day," he recalled, "and they disappeared. I didn't know why. They disappeared from my life and until now I am awaiting them, like a child, constantly."

He said the film — which ends with the abandoned boy running through a field searching for the Messiah his father had taught him to seek — echoes his own experience.

"Until now," he said, "in all my work the heredity of my adoptive father is working. Until now it is I who am running after the Messiah, after eternal liberation. I am running until now in all my films. I am running as my father told me."

As a student and budding poet in the Stalinist years of the early 1950's, Mr. Gyongyossy, who is now 33 years old, was arrested on what he said was a trumped-up charge of conspiring against the state and imprisoned for four years.

Fifteen years ago he formed a directing partnership with Mr. Kabay, now 35, and they have collaborated on a dozen films. For the past eight years, Miss Petenyi, who is 42, has worked with them as a co-writer and, more recently, film editor. Together, they have won several Hungarian and international film awards.

He said the boy he found to play the part, 7-year-old Gabor Feher, was a natural actor, but one who rebelled against rehearsals and seemed unable to repeat a scene effectively after he had filmed it once.

So the company took to rehearsing without the young actor, then filming in one intense take, with the cameraman, Gabor Szabo, swooping with his hand-held camera like the dancer he once was.

They said the shooting went smoothly until the last day, when only the final, technically simplest scene remained. In this scene, Miss Petenyi said, the young actor simply runs through a field calling out to the Messiah. But for some reason, the child refused without explanation.

"I took him aside," she said, "and he finally told me, 'Of course I could do it. It's a very simple scene. But I know that once it's finished, the film will be over, and I don't want the film to end.'"

The All-American Ballerina

By JACK ANDERSON

The word "ballerina" is used so often and so carelessly that it can refer to anyone from a moppet in a tutu at a dancing school recital to the star of a professional ballet company. But the designation ought to be reserved for someone who is not only a principal dancer of a company, but also an artist of international stature. One dancer who would surely qualify for such an honorific title is Cynthia Gregory of American Ballet Theater, which is now in the midst of its season at the Metropolitan Opera House.

Because of her background, the Los Angeles-born dancer is a uniquely American ballerina. And in a recent interview she appeared to be concerned with just what it is that makes American dancers special.

Miss Gregory believes that American dancers are exposed to what she calls "a real conglomeration of styles." A member of Ballet Theater since 1963, her own repertoire includes such ballets as "Swan Lake," "La Sylphide," "Coppelia," "Carmen" and "Miss Julie." And she stars in two very different works that entered the company's repertoire this year: the "Cinderella" choreographed by Mikhail Baryshnikov and Peter Anastos and Twyla Tharp's quirky "Bach Partita."

Miss Gregory has received high praise this season dancing opposite Fernando Bujones in "Miss Julie," Birgit Cullberg's adaptation of Strindberg's play. She acknowledged that classical ballerinas often relish such stormy dramatic roles because "though you need technique to do them, you can forget about technique when you dance them."

"I'm fascinated by Miss Julie herself," she continued. "She's a complex, constantly changing, woman. She also feels cut off from everyone else. So when I'm getting ready to dance her, I, too, try to cut myself off from others. For instance, if I hear people laughing in the next room, I'll ask myself, 'Can they be laughing at me?' That's certainly something Miss Julie would think at such a time."

Despite her interest in contemporary ballet, Miss Gregory continues to love the classics, her favorite among them being "Swan Lake," which she performed for the first time with Ballet Theater in 1967. Since then, she has never tired of its music and has continued to find its dual role of Odette and Odile rewarding. "Sometimes, when I see the schedule, I think to myself, oh dear, not another 'Swan Lake,'" she said. "But when I dance it, it's always new. It's always a challenge, too, because you have to find an emotional and technical balance between Odette and Odile and that takes concentration."

Miss Gregory has successfully per-

formed some classical roles for which, according to conventional standards, she is not ideally suited because of her height: for instance, Swanilda in "Coppelia" and the title role in "La Sylphide." Commenting on this, she said, "I love those roles. I like to break the mold of convention."

It was Erik Bruhn, the great Danish danseur noble, who suggested that she attempt "La Sylphide." Because the Sylphide is often associated with wispy dancers, she was initially reluctant to learn the part. "Then," she said, "Erik reminded me that the Sylphide is really a figment of James's

The American ballerina may be the product of several teaching methods.

imagination, she's his dream image. So she does not necessarily have to look just one certain way. I think of her as being a tease, she's silly and crazy and acts the way some people might if they were not restrained by a sense of responsibility."

Just as the American ballerina may be exposed to choreographic variety, so, thinks Miss Gregory, she may be the product of several teaching methods. Her own teachers have included exponents of the Italian method of Enrico Cecchetti, the traditional Russian method and the streamlined neoclassical style of George Balanchine. But the teacher who had the greatest influence upon her was Carmelita Maracci, with whom she studied in Los Angeles.

As a performer, Miss Maracci was famous for combining balletic and Spanish technique. However, as a teacher, she taught rigorously classical classes and demonstrated steps with unusual brilliance.

She did more than teach steps. She would choreograph on her students and talk to them about art and politics. She particularly stressed the importance of musicality and her classes were always to such composers as Bach, Scarlatti, Beethoven and Schubert. The accompanist was not permitted to play any hackneyed 19th-century ballet tunes, and even Chopin was considered suspect.

Miss Gregory also owes much to Lew and Harold Christensen of the San Francisco Ballet, which she joined in 1961. "They gave me my first professional chance," she said. "They really nurtured me. The San Francisco Ballet was a good company for a young dancer to be in. It was a family sort of company."

Here in New York, Richard Thomas is Miss Gregory's "regular"

teacher. But she is still interested in various teaching methods and she prizes expert coaching. She called Dimitri Romanoff, Ballet Theater's former regisseur, "a perfect coach: he was a stern taskmaster, yet he always helped you develop your own interpretation of a role." Other coaches she found valuable include Mr. Bruhn, Toni Lander and the late Royce Fernandez. All three made her aware of the importance of mime in the classics. "They made me believe in mime," she said. "They taught me to think of mime gestures as the words of a song in my mind."

Miss Gregory makes occasional guest appearances with companies in America and abroad. Yet she has mixed feelings about the matter of guest stars. She explained, "When Ballet Theater used to bring in so many, I rebelled. Because I was already a principal dancer, I never thought I was being personally overlooked. But I thought other dancers were and I wanted to stick up for American dancers, since often Americans don't seem to realize how talented their own artists are. It's curious, though. Now that we have no guests at all with our company, a measure of excitement has been lost. And I know I was able to learn things by watching the guests."

Still opposed to any policy that would emphasize an unending succession of guests, Miss Gregory concedes that, in certain circumstances, guests can be valuable. Sometimes, guest stars can be imported for purely practical reasons, as occurred at Ballet Theater when tall danseurs were brought in to serve as her partners. But, more significantly, Miss Gregory thinks that if guests are masters of a certain style, then their artistry can be an inspiration to both audiences and other dancers.

It used to bother her that she lacked a regular partner, that her name was not linked with that of another dancer in the way that the names of Alicia Alonso and Igor Youskevitch or Alexandra Danilova and Frederic Franklin are linked. Now, she is less worried about this. She said, "I've found it interesting to dance with different partners. Having to adjust to them may even help keep my dancing fresh. So I've tried to make an advantage out of what I feared might be a disadvantage to my career."

Although her repertoire is extensive, there still remain ballets she would like to dance, among them John Cranko's "Romeo and Juliet" and "Onegin" and Balanchine's "Concerto Barocco" and, she said, "I wish Jerome Robbins would choreograph a ballet for me."

These days, she is pondering a score called "Concerto for Elvis Presley," by Ben Weisman, who wrote songs for several Presley movies. The concerto's combination of classical and rock elements fascinates her.

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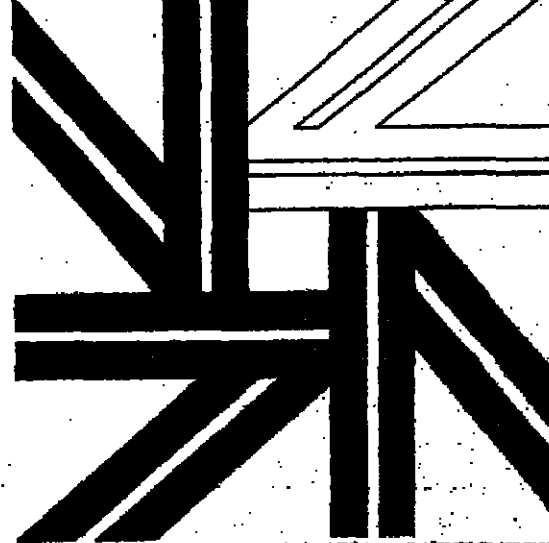
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A VOTE for Ezer Weizman's new Yehad party will not be a wasted vote, contends Paul Kedar, a Yehad candidate for the 12th Knesset and one of its campaign managers. He doubts that either of the major parties will win a clear majority; indeed he considers the idea somewhat scary because Israel has only one parliamentary chamber and no written constitution.

He is banking on Yehad achieving a pivotal position in the coalition government that will be formed after the July 23 elections. And, like Weizman, he is ready to go with either Labour or the Likud.

Paul Kedar, a youthful 60-year-old, is an unabashed disciple of his old air force commander. And like his hero, he is a man of considerable charm and eloquence.

"We will be Dash with a difference," he says, referring to the Hebrew acronym of the defunct Democratic Movement for Change which, in 1977, helped to bring down Labour and install the Likud, but which had disintegrated by the 1981 elections.

"We wish to give in to the attraction of power. If you want to change the structure of government, you have to make sure these powers have an influence from within the existing system," he declares, waxing enthusiastic about his vision of Yehad as "a major political force in the 1988 elections" and denying that Yehad is little more than the Ezer Weizman Show.

On the other hand, he insists that Yehad will not carry within it the seeds of its own destruction, as did the DMC, whose members had little in common to keep them together.

Kedar is at his most disingenuous, however, when arguing: "We're not like Dash because none of us has a political past to burden us." Apart from Weizman, that is.

A NOVICE in the political field who believes fervently that Yehad - with Weizman at the controls - will provide solutions for dissatisfied voters. Kedar dismisses current polls which put Yehad's drawing power at anywhere between nil and three seats.

"Do you know that at this stage of the election campaign in 1977, Dash only had 4 per cent support in the polls. So much can change in the coming eight weeks."

Kedar strikes me as being a genuinely nice man and genuinely in earnest. Indeed, if that were not my impression, I might suspect him of harbouring a yearning for a simplistic regime which tended towards the right-democratic.

He finds quite out of place my question concerning the questionable thrust of the Yehad campaign, with its image-builders focusing on a "follow-the-leader" theme and on Weizman's own leadership attributes.

Nor does he have much time for

my assessment that this emphasis on unthinking loyalty to the political leader, without reference to any ideological underpinning, might rebound against Yehad. Kedar does not believe that the party campaign might indeed be building up, say, Ariel Sharon, who may be a much more suitable target for those with a yearning for "strong leadership" - what the Germans once called the "Führer-Prinzip".

The Yehad champion seeks to soothe any alarm on my part: "We think of the kind of leadership offered by Kennedy and Churchill, not Mussolini," he says. "Leadership, after all, is an integral part of politics."

He seeks to brush aside any questions that might arise over Weizman's leadership qualities and his famous penchant for impulsive action, like his abrupt departure from the Defence Ministry in 1980, which left the way open for Sharon to plan the war in Lebanon.

Kedar speaks with more passion than is his custom: "Ezer is a true man of principle. People cannot have it both ways - they can't say that politicians only cling to their power and also accuse a man who quits office, especially if he had the potential to become premier, of being unstable."

KEDAR'S PERSONAL HISTORY in itself makes a fascinating story and I hope he will one day get down to putting it all on paper. It was only with difficulty that I got him to tell me about himself; for his part, he preferred to talk about Weizman and his party.

What I gleaned, however, was that the original family name was Chomsky, and that his grandfather, who belonged to Hovevei Zion in Russia, came on aliya 1896, marrying a Jerusalem girl whose family had settled in the Holy City in the mid-18th century.

The grandfather was among the founders of Neve Zedek at a time when the Jews started establishing their own neighbourhoods on the sand dunes outside the walls of Jaffa. His father joined the Jewish Legion during World War I and was close to Ze'ev Jabotinsky, becoming his disciple in the Revisionist movement.

In 1920, he was arrested along with Jabotinsky and imprisoned for defending Jews in Jerusalem against Arab violence. After three years in prison, Kedar senior took his wife and son to Paris, where they lived peacefully until World War II.

The day in 1940 when German tanks rolled down the Champs Elysees, 15-year-old Paul took his bicycle, said farewell to his parents and rode to the French coast.

At St. Nazaire, he encountered a British Army unit preparing to sail back to Britain across the English channel. He befriended two British soldiers who provided him with a

Post Political Correspondent Mark Segal talks to Paul Kedar (below), a leading campaigner for Ezer Weizman's Yehad Party.

EZER'S MAN



British Army uniform and two pound notes. Then they smuggled him aboard their boat for the cross-channel journey.

Resplendent in his British Army uniform, young Paul Kedar entered Britain, travelling with his newly acquired comrades into the wilds of Wales, where they parted company.

Life's freedom was short-lived, and he soon found himself under arrest in a town that was itself in the grip of a German invasion scare.

However, he was able to establish his identity as a native of British Palestine and was released. He then made his way to London, finding shelter with a family which knew his father.

Dodging German bombs which rained down on London during the Blitz, Kedar supported himself for a

year as an office boy.

But then he decided he had to join the war against Hitler. Altering his age on his identity document from 16 to 18, he was enrolled in the Royal Air Force, and was soon on his way to the U.S. as a pilot trainee.

At the U.S. Navy base in Pensacola, Florida, young Kedar was introduced to the joys of flying. He was to spend the next five years as a pilot, mostly in the Far East.

ON HIS DEMOBILIZATION in 1946, Kedar travelled immediately to France, where he was reunited with his family, who had survived by virtue of their status as British nationals (his father had been imprisoned in a detention camp). Then he returned to London to catch up with the education he had missed.

But by the end of 1946, Kedar joined the IZL's unit in Europe, remarking dryly: "Like every self-respecting member of my generation, I fought with the British - and against them."

He undertook a number of missions, which eventually led to the British cancelling his passport. But his IZL activities had another important consequence: they brought him into contact with Ezer Weizman.

In 1948, Kedar returned to Israel and was a founder of the IAF. He quickly rose up the ladder of command, and in 1955 he was sent to Paris as Israel's air attaché, a tour of duty that was to last until 1958.

It was a fateful period which witnessed intense Franco-Israeli co-operation and milestones in the development of Israeli air power. On his return to Israel, Kedar became head of training at the IAF and then chief of the IAF staff and command college. In 1961, he was despatched to Ankara as Israel's air attaché, gaining fame in Turkey and elsewhere at the time by being the only passenger to emerge unscathed from a rather nasty air crash. He had also safely survived an air accident in 1959. "I'm a lucky man," he says. "I've been lucky all my life."

RETURNING FROM Ankara in 1965, he was 40 years old and decided to embark on a new career, which involved him in departments of the Prime Minister's Office and the Defence Ministry. But in 1970, the then defence minister, Moshe Dayan, asked him to become head of Israel's defence mission in Europe, based in Paris. But the Paris he found now was quite different from that of his earlier posting in the late Fifties.

The honeymoon between Israel and France was most certainly over. And the hostility displayed by the Pompidou administration to Israel was heightened by the Cherbourg boats incident, which occurred before his appointment. Indeed, Kedar succeeded to Aluf Michael (Mooka) Limon, who had been declared *persona non grata* in France after the incident. Kedar was left to cope with the French arms embargo of Israel and to wrap up the loose ends of the Cherbourg affair.

But in general, as he puts it, "it was a highly satisfying job."

KEDAR RETURNED HOME in early 1974 and once again embarked on a fresh course. Joining the team that set up Beth Hatefutsoth, the Museum of the Diaspora, he became a curator. By May 1978, he decided to make yet another fresh start, and was offered the post of consul-general in New York.

Kedar supplies the ideological wrapping to the reason for taking one of the most exciting positions in Israel's foreign service: "I come from the generation that ascribed to

the dogma which negated the value of the Diaspora (Shilat Ha-Golah), but in the course of years I came to recognize the unity of the Jewish people."

"My work at Beth Hatefutsoth certainly afforded me a great insight in this matter. So naturally, I was glad to be able to work in the largest Jewish centre in the world."

Kedar moved into the consul-general's apartment on East 70th Street with his wife and four children and turned in a highly successful performance. His tour of duty lasted until 1981 and included the famous shouting match with New York Mayor Ed Koch over the parking transgressions of the Israeli Consulate staff.

Returning home, he decided to make yet another fresh start by settling in the Galilee immigrant township of Shlomi, while his wife preferred to return to the family home in Ramat Hasharon. This interlude, during which he ran the Shlomi community centre, lasted for less than a year before he was called back to duty - this time to serve as Israeli spokesman to foreign press in Beirut. It was a shock for Kedar: "I have never met such poisonous hostility towards Israel. It was evident mostly among the correspondents based in West Beirut, where they had been indoctrinated by PLO propagandists. Yes, you might say the British newsmen were the worst in terms of being anti-Israeli."

After that trying period, Kedar returned to Ramat Hasharon, but the lessons of Shlomi remained, moulding his view of society and influencing his decision to enter politics.

"I chose to go to Shlomi because during my time in New York I reached the conclusion that Israel's future would be moulded by tackling such socially problematic places."

"But my year's experience in Shlomi taught me that the only way to effect change would be through political power. I felt that the public must be educated to understand that the present bureaucratic approach is intolerable."

"I am a fervent believer in the probability of change from within. We have to tackle this awful self-serving bureaucratic approach to things. The feeling has grown in me that the fate of the nation is too important to be left in the hands of those kinds of professionals," he says.

IN 1977, Paul Kedar followed Ezer Weizman into the Likud election HQ and worked for its campaign, but now he, too, is disillusioned with the Likud, its performance and its policies.

The Yehad campaigner talks in vague, if optimistic, terms of "the urgent need for new people to change things," and employs phrases like, "We're a big people,

we deserve a better country." When he speaks of all the parties being "self-serving bureaucracies which have lost sight of the national dream," I press him on the nature of the dream. At first, he invokes Martin Luther King, then answers me with: "Every threshold we cross should become a new starting base."

His main concern is to make Israel a much more attractive place for Jews to settle in, instead of just being a refuge.

"We have to know how to make our small country into a big country; we have to use our resources properly. We've got to set our eyes beyond the horizon."

How can this be done? Kedar returns to his theme of "proper leadership." There are economic programmes galore, but no one to carry them out. I wondered rather meekly whether this is sufficient to curb hyperinflation, but Kedar appears impatient at my inability to share his vision: "We need someone who will put his money where his mouth is."

He wants a government that is made up of the best people in the country, believing that party barriers prevent this mobilization of Israel's finest.

Kedar is innocent of all ideological inhibitions; he believes simply that with the right kind of leadership, the best will be brought out of people.

His party wants decentralization of government and electoral reform, and as for education: "We want the emphasis to be on equality of product rather than on equality of service."

He wants to change relations with the Diaspora, which he claims has been hobbled by an ambiguity in seeking to prevent Israel simultaneously as the centre of world Jewry and as a small community in distress. He sees the image of a successful Israel as the most important component of Jewish identity in the world today. He wants to get world Jewry more involved in Israeli education, believing that the \$300 million raised by the UJA every year could be much better used than at present by the WZO bureaucracy.

The Yehad position on the disposal of the West Bank and Gaza, says Kedar, involves a form of benign neglect, at least that was this listener's impression.

"I think history has a habit of surprising us, just as did Anwar Sadat... We need time to allow for gestation if we want a viable and stable peace as with Egypt. We have to pursue a dialogue not only with Egypt and the Palestinians, but with all the Arabs."

"It depends very much on who will be in charge. That's why we need Weizman in the cabinet. After all, what kind of peace would we have had if, in November 1977, Yitzhak Shamir and Moshe Arens had been in office and not Menachem Begin and Ezer Weizman?"

Aspects of aging

RANDOMALIA
Miriam Arad

VAGUELY defined by the Oxford as the years between youth and old age, middle age does have its compensations. It's been said before, to be sure, but it's the kind of thing you don't believe till it happens to you. By the time you're 50, for instance, you're no longer utterly devastated at finding a new wrinkle in the mirror. You don't take a staircase by two's and three's any more either,

but then you're in less of a hurry, having learnt over the years that whatever is at the top of those stairs will wait.

One of the greatest things to be said for middle age, though, is that

so many people you like are younger than you, and chances are they'll be around awhile yet. I'm not thinking of your own children and grandchildren, but rather of public personalities. I'm thinking of someone like Alex Ansky, who does a sort of idiosyncratic press review between 7:07 and 8 in the morning on Army Radio. He has a warm voice, a sense of the ridiculous, and can actually make a snort come over on radio. In short, he's the perfect antidote for the bad news, is Alex Ansky, and the only person who can make me smile so early in the day. He's certainly quite a bit younger than me, and that's good.

Others who come into this happily-younger-than-me category are writers I'm fond of. Ah, I say, reading a biographical note, b. 1942, is he? That means that, barring writer's block or a heart attack, he's bound to write me several more books to look forward to.

Of course, there's the other side of the coin: at middle age you're still not so old that there aren't many older. Politicians, for instance, I guess that even with the staying power of Dr. Burg, may he live to 120, I shall still be around when he is gone.

Unearthly beauty

ISRAEL
FESTIVAL '84

221. Stravinsky: Symphony in C, Mahler: Songs from "Des Knaben Wunderhorn."

WITH LEONARD Bernstein at the helm and Stravinsky and Mahler on the programme, one could have expected perfection and a great experience. Neither, regrettably, materialized.

It was more than astonishing that, even with Bernstein and the IPO, Stravinsky's polyphony, rhythmic intricacy, motivic patterns and interplay of soloists did not develop as expected.

The dryness and brittleness of the composer's language was felt all along; somehow, all the small events, and Stravinsky overwhelms us with a multitude of them, did not combine in any flowing continuity. There was no doubt that the players felt a certain unhappiness and unfamiliarity with the material. To sum up: Stravinsky's symphony in C did not get what it really deserved.

IN MAHLER, the two partners, conductor and orchestra, were completely in their element. Of the two

soloists, however, only soprano Lucia Popp gave us true Mahler in his unmistakably unique style. In her songs and her passages in the duets, she projected naturally and with great charm and complete identification.

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tion with all of Mahler's melodic expression and rhythmic swing, giving us the soul and essence of Mahler.

It is a mystery why Walton Groenroos was chosen as the other soloist. Never mind his small voice, which often had difficulty in riding the huge orchestra and his occasional lack of rhythmic exactitude. What irked was his complete inability to relay the musical message. His line was dry, his vocal inflections flat, his phrasing colourless. As the only soloist, he would have disappointed. In partnership with Miss Popp he seemed merely incompatible.

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"Fanciful Literary Criticism"
Nafra Building Hall 1

Thursday, May 31
9:45 a.m. T. Fnedgut Hebrew University (in Hebrew)
"The Party Apparatus in the Revolution"
S. Rabinovitch, University of California, Berkeley (in English)
"Problems of Establishing Marina Tsvetaeva's Biography"
M. Rafei Columbia University (in English)
"The Transition from the Muscovite to an Imperial Political Culture"
S. Redlich, Ben-Gurion University (in Hebrew)
"The Jewish Anti-Fascist Committee"

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Elections vs wage policy

WHAT WITH the Jewish terrorist underground, the squabble between Herut and the Liberals and lesser rows in the minor coalition parties and factions, the main issue over which the country is going to the polls early – the state of the economy – has been temporarily relegated to the background. The subject is hardly mentioned, and nobody expects anything to happen before a new government is sworn in. Until that happens – which may be in August, September or even October – fatalism prevails.

However, things are happening, particularly with regard to wage policy or, more accurately, its absence. The erosion of real wages, it may be remembered, was the one card on which Finance Minister Cohen-Orgad staked his all. It was the mechanism by which private demand was to be throttled. Supplemented by cuts in public spending, the ensuing recession was to improve the balance of payments and set free resources for exports. Sooner rather than later, the recession was also expected to choke off the upsurge in inflation by which the wage erosion was initially engineered.

As we know now, very little of all this happened. Government spending was not cut, private consumption, after a brief dip, returned to its previous level, propped up by the diversion of savings to consumption and the liquidity the government continued to pump into the economy. The expected mini-recession gave way to an unexpected mini-boom. The only thing that remained was the erosion of real wages which, as Mr. Cohen-Orgad himself apparently came to realize, had overshoot the mark.

All this was before new elections were called. By now, the wage front is beginning to crumble. It is so far happening quietly, because there seems to be a tacit consensus between the two main electoral blocs to prevent any outbreak of really militant labour disputes. After all, one or the other of them will have to pick up the pieces after the elections. Both, therefore, have a common interest: to still the troubled waters and, if possible, get a basic wage agreement signed before the elections.

The tacit cooperation between the government and the Histadrut – the employers, who nominally are the negotiating partner of the Histadrut, are in reality only a secondary power in the game – is striking indeed.

Mr. Cohen-Orgad has begun to show largesse. The civil servants not classified as holding "specific" jobs have been given a wage-erosion supplement of IS10,000. Regular army personnel will get even larger compensation. The service veterans law is another bonus. Tax brackets have also been adjusted. Together, this will cost some IS30-40 billion. All of this redress for the wrong done since last October to wage earners was accomplished without much prodding from the Histadrut.

On the other side of the fence, the Histadrut has signed a cost-of-living agreement which the Treasury says gives the workers less compensation than the agreement that expired. The Treasury should know, for the new agreement will compensate wage earners for the inflationary erosion of their pay packet only if inflation remains at the present two-digit monthly level.

But that cannot last. Whoever forms the next government will have to bring inflation down below the 12 per cent a month on which the new agreement is predicated. With a monthly inflation of less than 12 per cent, or 25 per cent cumulatively in two months, wages will continue to be eroded.

The new Secretary-General of the Histadrut, Yisrael Kessar, has a ready answer to that: What the cost-of-living agreement does not provide will be supplemented by wage increments in the basic wage agreement.

At first glance, it would indeed seem that it does not matter much whether wage erosion is compensated for by the cost-of-living allowance or by a hike in basic wages. One worthless shekel is just as good as another.

The snag, however, is that wage hikes in the framework agreement open a Pandora's box. Any addition to one group of workers sets off a chain reaction. If the "non-specific" civil servants have now been given IS10,000 more, it is certain that the "specifics" will ask for more. The engineers already await the verdict of the arbitration court on whether the wage increments granted the medical doctors last year exceeded the 1982-84 wage agreement. If the verdict is in their favour, they will ask for the same – and more. And others will follow. The sequence is familiar.

The Israeli economy sorely needs a thorough wage reform. The existing system is petrified. It has, for years, been out of tune with the structure of the economy. Committee after committee has been appointed to devise a reform, with the only result that deliberations of years have quietly petered out.

Clearly, there will be no reform before the elections, nor soon after. Therefore, as much as the Likud and the Alignment would both like to have a wage agreement of sorts signed before the elections – itself a rather vain hope – public responsibility should impel them to seek for short-term solutions. The short-term maintenance of real wages, and nothing more, should be the objective.

Whether the one or the other forms the next government, a wage agreement signed on the eve of elections will be a milestone around their necks. It is likely to saddle the next government with an archaic wage structure, with wage demands that will carry over for many months to come – and it will, once again, put off real wage reform for years.

THE CASE FOR PROJECT KIBBUTZ

To the Editor of The Jerusalem Post
Sir, – Haim Shapiro's article of May 4, "Kibbutz movement probes Christian 'cult' operation," appalled me in that it so completely misrepresents the work of Project Kibbutz.

We are involved with this work to the extent of screening candidates so that they will meet the requirements of the Kibbutz movement – healthy hard workers, of good moral fibre, and certainly not 'missionary-minded.'

The 'strict moral code' described in the article is something fairly basic to Christian teaching – particularly in the realm of serving in a year-long term on a kibbutz. For the benefit of the individual, the kibbutz and the team itself, this is surely a fairly obvious pre-requisite. To cast a slur on this policy because of some aspect of problems in isolated cases – remembering that many hundreds of volunteers have served Israel faithfully through the years through Project Kibbutz – shows that the real truths are not known.

The 'no-dating' policy is one with which we completely concur. We could not conceive of sending picked volunteers off on a project with Israel's welfare in mind if this personal note was going to be allowed to creep in at any stage. It is not so much a curtailment of human freedom as a discipline by which to be single-minded in serving the need and cause of Israel.

That the movement is not a cult is determinable simply by the fact that every applicant has to receive his/her own pastor's specific and written approval. Furthermore, in many or most cases, similar approval is sought from parents. It would not take long for cultic practices to be exposed with this kind of strict screening.

If the Kibbutz movement is 'reserving all judgement' until it completes its enquiry, is it right to query why, seven out of the eight stories which you have published – with material obviously emanating from the Kibbutz movement – are all slanted against Project Kibbutz, and that in full public gaze? This deliberate prejudging has a harmful effect that will not be removed by later 'findings.'

Prayer for Israel is not a 'missionary group,' either by definition or by practice. The term is used by many Jewish zealots in ways calculated to bring to mind visions of certain kinds of Christian work – which is not our calling. This does not mean that we are not in fellowship with other Christians.

That we 'regularly report on the work of Project Kibbutz in 'saving souls' is a complete fabrication. We would challenge you and the Kibbutz movement to produce even one of our reports to illustrate this statement.

Another untruth is that "Reports continue to circulate about conversions of kibbutz members." It would be difficult for us to circulate reports about events of which we know nothing. Such unfounded allegations

call for substantiating – or for public refutation.

What we believe to be behind this whole episode is probably the single case of which we heard indirectly (and still unconfirmed to us) of someone who was (apparently) converted at Kibbutz Dafna last year. We have no details other than a rumour.

We already have to overcome the hurdle of misunderstanding and even opposition amongst the Christian and general public. Much media and much Christian teaching needs correction, as you well know. That hurdle is, for us, sufficiently large without having another one to overcome – your paper's misrepresentation of our work.

KEN BURNETT
Director
Prayer for Israel

Bromley, Kent.

Haim Shapiro comments: I doubt if we could ever agree on what constitutes excessive "discipline."

ANOTHER GOOD WORD FOR 'SHLIHIM'

To the Editor of The Jerusalem Post
Sir, – We read Joseph Romanelli's article of May 9 with great interest and were delighted to see that someone, albeit an emissary himself, finally made a favourable case for those in his profession.

It has been five years since we came on aliya through the San Francisco office, and during that time, we've listened to many immigrants find fault with their shlichim. As we listened to their stories of woe, we wondered whether we had 'been blessed' with a shlichah who showed interest, understanding, intelligence, and above all, concern, as he shepherded us through the maze of forms and papers that had to be completed prior to our date of departure. His advice was mature and

but the no-dating policy still seems rather harsh to an outside observer. Nor can I accept without question the statement that all participants must have parental permission. Does this include converted Jews and born-again Christians whose parents are not in sympathy with this new way of life?

I must also reject the statement that Prayer for Israel is not a missionary group. According to material in my possession, Prayer for Israel distributes printed material aimed at converting Jews, records testimony of Christians intent on converting Jews and supports Christian-Hebrew groups in Israel. "Other than by means of a few Missionary Societies, the Church as a whole has completely overlooked that it does have a specific calling to the Jew..." reads one newsletter.

Finally, I wish to stress that the Kibbutz movement in no way initiated the article, nor did its officials provide me with any material except to confirm that such an investigation was indeed taking place.

candid. His questions regarding our motives were penetrating and when they bordered on the personal, he handled the interview with great discretion. From our first meeting to the last, we were completely satisfied with the information and support he generously provided.

Now that he has returned to Israel, we have maintained a close relationship, and we consider him to be one of our most valued friends. Not only has he remained close to us, but he has tried to maintain a continuing friendship with many other of 'his olim,' for he considers it important to carry his original obligations into absorption as well.

IRWIN and BARBARA HOLLAND
Jerusalem.

DANGEROUS FOR MORALE

To the Editor of The Jerusalem Post
Sir, – I am not a Jew, but a Christian. I am American by choice and Dutch by birth. I am in my heart a staunch supporter of the State of Israel which, by virtue of my religion alone, means much to me.

I do not always agree with what Israel does, but know that, whatever may happen the State of Israel must survive.

I do not believe in killing or murder, but I believe in terrorism even less. So when a few days ago, we heard that an investigation was underway to check into allegations

that one terrorist may have survived the initial retaking of a hijacked bus by your military and was executed shortly thereafter, I was quite horrified.

An official investigation of this sort will be totally counter-productive and will serve only to undermine the effectiveness of your military. It will in fact shatter not only the morale of your military, but that of all the people of Israel just as surely as it did in the U.S. during the My Lai incident involving Lt. Kelly.

GERALDINE VACCARO
Alpine, New Jersey.

DEMOCRATIC VALUES

To the Editor of The Jerusalem Post
Sir, – While sharing your opposition to Meir Kahane's Kach party, your editorial of May 15 urging the Central Elections Committee to ban the Kach list from the upcoming elections is ill-advised. Surely a fully democratic state must be prepared to allow all political opinions to be expressed, no matter how obnoxious they may be to the majority.

Your objection to Kach on the grounds that it is undemocratic is arbitrary. The Rakah Communist party is neither democratic nor does it champion the ideas of the state, yet it sits in the Knesset – a virtual fifth

column with full parliamentary immunity.

And, for that matter, can it be said that Agudat Yisrael is pledged to uphold democracy and religious freedom? In the theoretical event that Aguda won a majority in the Knesset (heaven help us), we could expect a theocracy ruled over by the Council of Tora Sages.

If Kach is banned, so should Rakah and Aguda be banned, as the democratic values of all three are less than sterling.

RABBI HANAN ARIE COHEN
Jerusalem.

EPHRAIM HARRIS

To the Editor of The Jerusalem Post
Sir, – Along with the Israel Painters and Sculptors Association, we in the North mourn the loss of your Haifa art critic, Ephraim Harris.

For more than 30 years, Mr. Harris followed the artistic manifestations in Haifa. He encouraged the painters and sculptors who exhibited in Haifa and contributed to their development with a great deal of devotion, goodwill and artistic integrity.

He went to all exhibitions in Haifa with devoted regularity, even towards the end of his life when he was

very sick and partially incapacitated. He used to come one hour before opening time in order to get his own impression of the works exhibited without extraneous influence and refused to accept printed material or submit to any pressures.

Mr. Harris's modesty was well-known. He was never carried away by names or artists' publicity, but tried hard to explain artists' work faithfully and guide his readers and the artlovers of Haifa.

DVORA SIMHONI
The Israel Painters and Sculptors Association – Northern District

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CORRECTION

The CITY GARDEN notice

published in this newspaper on page five on Friday, contained an error in the telephone number.

The correct telephone number:

03-244015

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Sunday, June 3, 1984, 4.30 p.m.

at United Synagogue Centre, 2 Agron St., Jerusalem.

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